

# CSR Report 2015

# Contents

Top management message	2
Isuzu's CSR Activities	3
Editorial Policy	5
Focus	6
Social Contribution Initiatives	11
Initiative Policy for Social Contribution	11
Index of Social Contributions Initiatives	12
Environmental Initiatives	30
Initiative Policy, Promotion System, and Management for Environment	31
Index of Environmental Initiatives	35
Quality Initiatives	55
Initiative Policy and System for Quality	56
Quality Initiative Report	59
Respect for Employees	67
Initiative Policy for Respect for Employees	67
Respect for Employees Initiative Report	68
Harmony with Local Communities	76
Initiative Policy for Harmony with Local Communities	76
Index of Harmony with Local Communities Initiatives	77
Information Disclosure	94
Compliance Initiatives	95
Initiative policy and promotion system for Compliance	96
Compliance Initiative Report	100
Corporate Governance	101
Supply Chain Management	103
Third-Party Opinion	105
GRI Guidelines Index	107
Stakeholder Index	121

#### Top management message



I would like to express our appreciation for your continued support and understanding.

Isuzu's CSR policy is to fulfill our social responsibilities through activities to accomplish our Corporate Vision and contribute to the sustainable development of society along with establishing trust with all our stakeholders. To that end, we believe that it is necessary for each individual employee to understand the Initiative Policy as it relates to CSR, and to be aware of CSR as they act in their various fields of activities.

In the past, Isuzu has worked intensely to establish and strengthen trust with all our stakeholders by fulfilling our social responsibilities and duties as a corporate citizen co-existing in society and in the region.

The Midterm Business Plan (April 2015 through March 2018) introduces the Six Initiatives\* in the aim of growing into a corporation that is truly necessary to its customers and has a global presence. One of these is an initiative for building the foundation of the next generation. And we set advancing initiatives toward social issues as one of this initiative. Isuzu has been taking steady initiatives in our activities until now and continue to take them, but in the future, we hope to leverage our business and offer "Isuzu unique solutions" to make lasting contributions toward solving social issues, thus expanding our efforts to become a company that gives back value to society.

Further, we plan to take more active initiative in CSR activities in the future, working with our stakeholders to generate new business opportunities in the aim of growing into a company that works for society (that creates social value) by solving social issues through our business activities.

Isuzu hopes to further increase our corporate value through initiative in our CSR activities. We hope that you will continue to support us even more in the future.

#### \*Midterm Business Plan: 6 Initiatives

- 1. Push for global 3 plus 2 core business organizations.
- 2. Boost product portfolio and technology.
- 3. Expand aftersales business in emerging countries while refining business model in advanced nations.
- 4. Move marketing function closer to markets.
- 5. Link two operations of engineering, sourcing and manufacturing, and of aftersales.
- 6. Lay a corporate foundation in support of next generation.

#### Isuzu's CSR Activities

Through Isuzu's CSR activities, aimed at implementing Isuzu's corporate vision, we contribute to the sustainable development of our society while fulfilling our corporate social responsibilities and winning trust from society.

For sustainable development together with society, we at Isuzu emphasize the importance of fulfilling our social responsibility and achieving our corporate vision while building up trusting relationships with our stakeholders, and we call this "Isuzu's CSR activities".

The activities are intended to realize our corporate vision through the achievements of each Isuzu employee, understanding the "Policies of Isuzu's CSR Activities" and applying them to its business field.

Isuzu leverages its strength in obtaining the trust of society and contributing to sustainable development with society through its CSR activities as well as fulfilling its social responsibility.

#### **Basic Policy for CSR activities**

Winning trust from our customers	We aim to win trust from our customers by providing valuable products and services to society, and thus contribute to the creation of a prosperous society.
Promoting fair and sound activity	Isuzu business is based on transactions under fair and free competition.  Isuzu also keeps a sound and proper relationship with the government and politicians, and as a corporate citizen, acts strongly against anti-social forces and organizations.
Ensuring fair disclosure of corporate information	We broadly communicate with our stakeholders in society not limited to shareholders, and ensure timely, appropriate and fair disclosure of our corporate information.
Respect for Employees	We create a safe and comfortable work environment respecting each employee's personality and character so that everyone can fully demonstrate their capabilities.
Making a contribution to environment conservation	We actively work on environmental conservation not only through our business activities but also as a corporate citizen residing on earth by getting involved in social and regional environmental conservation activities.
Contributing to society	Isuzu proactively undertakes social contribution activities as a good corporate citizen.
Ensuring harmony with international and regional communities	We respect the cultures and customs of the nations and regions where we operate, and contribute to their development through our business activities.

# **Isuzu's CSR Activities**



#### **Editorial Policy**

## **Editorial Policy**

The Isuzu CSR Reports are published to provide an understanding of the "important issues for both our stakeholders and Isuzu," with regards to the CSR activities carried out by the Isuzu Group. Such references as GRI guidelines\* were used to prepare this report.

The reports are intended to reinforce communication with the Group's stakeholders and thus to further improve the CSR activities where the Isuzu Group can meet the expectations of stakeholders and society.

\* GRI Guideline (GRI Sustainability Reporting Guideline): GRI Guideline is a unified international guideline formulated by GRI (Global Reporting Initiative), an international NPO, in an attempt to improve the quality, reliability and comparability of contents of CSR reports (sustainability reports).

## **Scope of Report**

Centering on Isuzu Motors Limited, this report describes the activities carried out by Isuzu Group companies in Japan and abroad.

\*"Isuzu" in the report means "Isuzu Motors Limited" alone.

#### **Period Covered**

This report includes activities carried out between April 1, 2014 and March 31, 2015 in principle. However, significant matters in other periods are partly included in this report. Please refer to Isuzu web pages for FY2014 business activities and financial information.

#### **Focus**

# "Initiatives for Harmony with Local Communities in Indonesia"

P.T. Isuzu Astra Motor Indonesia (hereinafter referred to as "IAMI") manufactures and markets Isuzu vehicles in Indonesia. It celebrated its 40th anniversary in October 2014.

In addition to its business activities, IAMI, which has been expanding its business for years in Indonesia, finds its reason for the existence in continuous contributions to local communities through its CSR activities in various fields as a member of society.

#### Fields of IAMI's CSR activities

- 1. Education
- 2. Health
- 3. Environment
- 4. Income Generating



#### 1. Education

#### Scholarships for children of Isuzu drivers (Smart With Isuzu)

In 2012 IAMI began an activity to provide annual scholarships for children whose parents drive Isuzu vehicles.

This activity was kicked off with the aim of providing support for children to go to school because despite Indonesia's remarkable progress, the income levels of drivers are still low and many households are struggling financially.



The third presentation ceremony was held in the capital city of Jakarta in 2014, and IAMI sent 100 children one million rupiah each (approx. 10,000 yen).





Wearing matching T-shirts with the "Smart With Isuzu" logo at the September 2014 ceremony.

#### "ISUZU Class" established in local vocational training school

In October 2014, IAMI started preparing to hold the ISUZU Class, where trainees can learn about the latest diesel technologies including common rails, in a local vocational training school called SMK 2 Klaten, and signed a memorandum for that purpose.

Following IAMI's continuous donation of educational materials to the vocational training school, this ISUZU Class was launched to respond to local needs to develop highly skilled automobile mechanics.



Signing the memorandum to open Isuzu Class



Engines and tools were also donated as educational materials for the opening of ISUZU Class.

#### "Isuzu Technician School"

In February 2012, IAMI launched Isuzu Technician School under IAMI with the purpose of training highly skilled mechanics. As of December 2014, 94 people finished the program and have been taking active roles in ISUZU sales companies across Indonesia.

#### "Isuzu Berbagi Ilmu" (Knowledge Sharing)

The Indonesian employees organize volunteer activities in order to contribute to local communities. In "Isuzu Berbagi Ilmu", the employees make visits to schools and give lectures to the children using what they have learned through their various operations.









#### Supporting local UNICEF for Indonesian children

UNICEF in Indonesia carries out different activities for local children in the fields of health, education, and child welfare.

IAMI has been providing vehicles and other things to support these activities since 2002. There are three Isuzu vehicles (Panther, D-max, and mu-X) that are currently playing important roles with UNICEF.



## Y

#### **Future Initiatives**

IAMI will continue its efforts in the education field toward a future where the company will develop together with the children of Indonesia.

#### 2. Health

#### Cooperating with Indonesian Red Cross's blood drive

The company has held a blood drive every three months since 2012 in a bid to support the activities of the Indonesian Red Cross, which aims to establish a blood donation system in the country. This contribution helps solve blood shortages in Indonesia.





Seventy to one hundred employees and executive members, including sales company employees, take part each time and help improve the blood shortage situation.

#### Isuzu's "Health Car" to improve well-being in neighboring communities

To improve heath conditions among underprivileged people in the surrounding areas, since April 2014, the ELF called "Health Car" has been driving around neighboring villages with a medical team and pharmacists to offer health checkups and medicines at no charge.

This activity targets selected areas in collaboration with local official institutions and medical institutions. Approximately 200 people benefited from the checkup services in 2014.



ELF "Health Car" with medical team and pharmacists



People appreciate the various examinations and medical consultations.

#### 3. Environment

#### Planting activities in neighboring communities

Since 2010, the company has taken part in planting activities jointly with local governments and schools to conserve the surrounding environment.

In addition to the voluntarily participation of IAMI employees, the company also donates nursery trees to local schools to raise environmental awareness and local schoolchildren and teachers also participate in this activity.

Approximately 500 nursery trees were planted in 2014.



Employees participate proactively.



Planting together with local schoolchildren and teachers.

#### ■ Distributing hand-made garbage bins for cleaner communities

The company turns drum cans into hand-made garbage bins and then donates them as a contribution toward building a cleaner community.



The donated hand-made bins are made by the employees.

# 4. Income Generating

# Employment support for underprivileged people (engineering electric system training)

The aim of this activity is to support underprivileged people who wish to learn skills related to electric facility works under the engineering training program. It has been offered since 2011 through coordination with the local foundation, Yayasan Multi Techno Prakarsa Insani.

It is part of the income generating activity in which trainees are officially certified as electric facility work engineers upon completing this 6-month training period, and it gives underprivileged people advantages in finding employment.

Since its kick-off, the activity has helped approximately 60 trainees become certified, and they are now engaged in electric facility works.



At electric facility work training.



The trainees are certified as electric facility work engineers upon completing the program.

# 5. Other

#### ■ Customer security and transportation security activity after flood damages

Jakarta, the capital city of Indonesia, faces repeated river floods every year after rainfall during the rainy season.

In its sales bases in the city, IAMI works jointly with its local partner, Astra International Group, to lead a relief campaign for water-damaged vehicles.

Some other relief activities are notifying our customers not to start their engines to prevent secondary damages to their water-damaged vehicles, and setting up tents and providing free car inspections.



Once the rivers overflow, the roads become like rivers too.



Tents for water-damaged vehicles Free inspection is available.

#### **Social Contribution Initiatives**



Isuzu proactively conducts social contribution programs as a good corporate citizen.

# **Initiative Policy for Social Contribution**

Isuzu positions its social contribution efforts as "initiatives in responses to meet social expectations and needs." Every single Isuzu employee needs to show his/her interest in social issues extensively and needs to take actions for those needs as an Isuzu member. We consider that it is important to make Isuzu a partner trusted by society.

Underpinned by this policy, we conduct initiatives using our unique business assets (human resources, technologies, know-how, equipment, etc.) and self-motivated activities performed by the individual employees.



#### **Index of Social Contributions Initiatives**

Isuzu introduces after the FY2014 initiatives.

- · Support Activities for the Great East Japan Earthquake
- · Initiatives in Japan
- · Initiatives in Overseas







Please see the "Stakeholder Index" to view by stakeholder.

#### **Index of Social Contributions Initiatives**



Support for the Great East Japan Earthquake

Initiatives in Japan

Initiatives in Overseas

#### **Internal Events and Other Support for Disaster Areas**

In the aim of helping restoration in the disaster areas of Tohoku, Isuzu introduced the Otsuchi Sashiko Project\* products to distribute as hospitality gifts at internal events.

\* Otsuchi Sashiko Project
(Management by the non-profit organization Terra Renaissance):
The project group uses the Sashiko Stitching traditional in Tohoku area to support women's independence.



# "Isuzu Monozukuri Hands-on Workshops" for Children in the Disaster Areas

Since August, 2014

The "Isuzu Monozukuri\* Hands-on Workshops" were held in the disaster areas under the concept of "Gaku, Sou, and Yu (learning, creating, and playing)" to teach the children the fun and significance of "monozukuri".

\* Monozukuri : Isuzu craftsmanship.





# Continued Volunteer Activities in the Disaster Areas (Isuzu Motor Syutoken Co., Ltd.)

Since May, 2011

After the Great East Japan Earthquake, Isuzu Motor Syutoken (Koto-ward, Tokyo) has been sending a rotating group of four volunteers to various regions of Miyagi Prefecture every week since May 2011.

So far, a total of 237 employees have participated over a total of 827 work days (as of March 2015).



# Joint activities with Michinoku Revival Partners

Since March, 2014

Isuzu joined the Michinoku $^{*1}$  Revival Partners (hereinafter, "Partners") in March 2014 to carry on continuous relief in the disaster areas.



The Partners are a corporate consortium  $^{*2}$  with multiple corporations from different industries united with the intention of providing support to the disaster areas.

- \*1 Michinoku: Tohoku area in Japan, an earthquake-devastated district by the Great East Japan Earthquake.
- \*2 The secretariat for this project is the non-profit organization ETIC. As of March 2015, it has drawn Isuzu and five companies beyond industry borders to participate (Kao Corporation, Sompo Japan Nipponkoa Insurance Inc., Dentsu Inc., Toshiba Corporation, and Benesse Holdings, Inc.).

# **Internal Events and Other Support for Disaster Areas**



In the aim of helping restoration in the disaster areas of Tohoku, Isuzu introduced the Otsuchi Sashiko Project\* products to distribute as hospitality gifts at internal events.

\* Otsuchi Sashiko Project (Management by the non-profit organization Terra Renaissance):

The project group uses the Sashiko Stitching traditional in Tohoku area to support women's independence.

# Hospitality gifts at overseas events

Sashiko Stitching products were offered to participants in meetings in the Europe and Middle East along with a message introducing the group.



Isuzu attended the European Service Conference with Sashiko Stitching in hand.



Isuzu attended the Middle East Service Conference with Sashiko Stitching in hand.



Isuzu introduced the current status of the disaster areas along with a message introducing the group.

# **Introduction on the Isuzu Community Website**

The Isuzu Community Website HaKoBu gives a detailed introduction of the Otsuchi Sashiko Project, a group that is active in providing support to the disaster areas.





#### **Future Initiatives**

Isuzu will continue to take advantage of various opportunities to support groups and organizations to help the disaster areas recover.

#### "Isuzu Monozukuri Hands-on Workshops" for Children in the Disaster Areas



Since August, 2014

The "Isuzu Monozukuri\* Hands-on Workshops" were held in the disaster areas under the concept of "Gaku, Sou, and Yu (learning, creating, and playing)" to teach the children the fun and significance of "monozukuri".

\* Monozukuri : Isuzu craftsmanship.

The workshop concept "Gaku, Sou, and Yu" means "Learning, creating, and playing" in transport.







Employees engaged in manufacturing or development operations prepared this program with the purpose of giving children easily understandable lessons about their "monozukuri "activities as well as the significance of Isuzu's corporate vision of supporting transport.







# **FY2014 Workshop achievements**

Isuzu currently offers two courses: Casting Classes and Design Classes. Members were organized internally to conduct the programs together with the groups to support children.

#### [Casting Class]

August 2014	Casting Class in the Minamisoma Solar Agripark (Fukushima)
December 2014	Casting Class with the Beans Fukushima (Fukushima)

#### [Design Class]

December 2014	Design Class in the Collaborative School at the Onagawa Kogakukan (Miyagi)
December 2014	Design Class with the Frontier Minamisoma (Fukushima)

<sup>\*</sup> All of the workshops took place at the groups supported by Michinoku Revival Partners, which Isuzu joined in March 2014.

After spending time with bright-eyed children, Isuzu employees said things like, "We can learn from their creativity," "I want to do this again," and "I was moved."



A casting specialist giving some tips



An employee responds to enthusiastic children.





Scene of Casting Class

Scene of Design Class



#### **X** Future Initiatives

Employees who wish to show the children the significance and fun of "monozukuri" are planning to prepare new programs and enhance the content of the "Isuzu Monozukuri Hands-on Workshops".

Moreover workshops are scheduled to take place in other locations in communities around the Isuzu plants (Fujisawa and Tochigi) in addition to the disaster areas.

# Continued Volunteer Activities in the Disaster Areas (Isuzu Motor Syutoken Co., Ltd.)



Since May, 2011

After the Great East Japan Earthquake, Isuzu Motor Syutoken (Koto-ward, Tokyo) has been sending a rotating group of four volunteers to various regions of Miyagi Prefecture every week since May 2011.

So far, a total of 237 employees have participated over a total of 827 work days (as of March 2015).



## **Regions and activities**

Their initial work was to treat polluted mud and building wreckage in Iwanuma City in Miyagi. After that, they worked in Kesennuma City and Minami-Sanriku Town. Through a local volunteer center, they are volunteering to fill needs in the disaster areas, such as labor shortages in the fisheries and agriculture industries.



# This activities also affects the development of human assets among the employees.

These volunteer activities serve as incredible experiences and help to develop human assets among the employees. These activities have an important meaning.



## Y

#### **Future Initiatives**

Isuzu Motor Syutoken again calls for employees to continue participating in the activities to support the restoration of the disaster areas.

These activities have received recognition and were chosen for an award by the Miyagi governor and Miyagi Council of Social Welfare in 2012.

#### Joint activities with Michinoku Revival Partners



Since March, 2014

Isuzu joined the Michinoku<sup>\*1</sup> Revival Partners (hereinafter, "Partners") in March 2014 to carry on continuous relief in the disaster areas.

The Partners are a corporate consortium \*2 with multiple corporations from different industries united with the intention of providing support to the disaster areas.

- \*1 Michinoku: Tohoku area in Japan, an earthquake-devastated district by the Great East Japan Earthquake.
- \*2 The secretariat for this project is the non-profit organization ETIC. As of March 2015, it has drawn Isuzu and five companies beyond industry borders to participate (Kao Corporation, Sompo Japan Nipponkoa Insurance Inc., Dentsu Inc., Toshiba Corporation, and Benesse Holdings, Inc.).

#### みちのく復興事業パートナーズ ISUZU KOOシ entranse dentsu TOSHIBA Libergalina A Libergalina Libergalina A Libergal

## **Major joint achievements**

- Sent employees to participate in a variety of relief activities in the disaster areas hosted by the Partners.
- Supported groups in the disaster areas through business activities such as purchasing hospitality gifts from the Partners' supporting member groups to distribute at internal events.
- Held the "Isuzu Monozukuri Hands-on Workshops" jointly with the groups to support children in the disaster areas.



## 311 "Day for Tsunagaru (Connect)" Project

ETIC, the NPO acting as secretariat for the Partners, launched this project so that relief for the disaster areas wouldn't be forgotten. ETIC says "Triggered by the 3 11 earthquake disaster, let's leave that we opened in Japan while rolling up the world in positive form. This should be recognized for years as it concerns everyone." The members agreed with this call to action, and the project was established.

Isuzu has supported this message and encourages those in the company to think about connections between people.



On March 22, an event was held in Tokyo's Hibiya Park for people to experience these connections: "Tsunagaru (Connect)."

## 💢 Future Initiatives

Isuzu hopes for the Partners activities to act as a gear in a social movement rather than as a limited or single movement, in order to stimulate industries and employment in many more regions.

#### **Index of Social Contributions Initiatives**



Support for the Great East Japan Earthquake

Initiatives in Japan

Initiatives in Overseas

# The DeuSEL® Project toward Commercialization of Next-Generation Bio-Diesel Fuel

Since Jun, 2014

Isuzu launched the DeuSEL® Project in jointly with Euglena Co.,Ltd. (hereinafter, "Euglena") in June 2014 as an activity to reduce environmental impact and develop new alternative fuels.

The project aims to commercialize a next-generation bio-diesel fuel made of the microalgae euglena (Japanese: midorimushi), which is effective even with a content rate of 100% and has no negative effect on vehicle engines.



DeuSEL® Bus

# **Protecting Customer Vehicles during Floods**

Since July, 2014

In July 2014, Isuzu, Isuzu Motors Sales Ltd., and Isuzu domestic dealers tied up and launched a new activity to help ensure the safety of our customers during floods and protect their vehicles from further damages.

# **Introduction of the TFT Program**

Since April, 2014

In April 2014, the TABLE FOR TWO (TFT) program kicked off in the employee cafeteria and the cafe area of Isuzu Omori Headquarters with the purpose of making it easier for employees to contribute to society while enjoying healthy food.



# Participation in the Mt. Fuji Forestation Project

September, 2014

Since 2008, Isuzu has been participating in a project to replenish the forest located around the second station of Mt. Fuji, where damages by pests have devastated the forest



# **Eco Cap Activity**

Since 2008

This activity began with Isuzu in 2008, and total of 1.06 million PET bottle caps were collected in FY2014.

The collected caps will be used to raise money for polio vaccines for 1,900 children in developing countries through a NPO, and be used at elementary schools in Kanagawa Prefecture for the social contribution activities by the children.



# The DeuSEL® Project toward Commercialization of Next-Generation Bio-Diesel Fuel



Since Jun, 2014

Isuzu launched the DeuSEL® Project in jointly with Euglena Co.,Ltd. (hereinafter, "Euglena") in June 2014 as an activity to reduce environmental impact and develop new alternative fuels.

The project aims to commercialize a next-generation bio-diesel fuel made of the microalgae euglena (Japanese: midorimushi), which is effective even with a content rate of 100% and has no negative effect on vehicle engines.



DeuSEL® Bus

#### What is DeuSEL®?

DeuSEL® is the world's first bio-diesel fuel made of the microalgae euglena, and it is developed by Euglena. Greenhouse gas emitted from running vehicles is offset when CO<sub>2</sub> is absorbed in the course of photosynthesis of the growth phase of euglena. Therefore, this alternative fuel reduces CO<sub>2</sub> emissions more than conventional fossils fuels.

DeuSEL® is an original name combining of diesel and euglena, and it is jointly trademarked by Isuzu and Euglena.

## FY2014 Activities and others (Higher recognition for DeuSEL®)

- 1. Major exhibition achievements
  - · Yokohama Car Free Day (September 23, 2014)
  - · Tokyo Motor Fes. (October 11-13, 2014)
  - · Fujisawa Environmental Fair (December 13, 2014)
  - · Tokyo Metropolitan Expressway full opening ceremony (March 1 and 7, 2015)
- 2. Major seminar achievements
  - · Citizen deliberation, Fujisawa City Life and Environment Council (October 22, 2014)
  - · Visited a class in Kouzan Junior High School, Okazaki City, Aichi Prefecture (January 22, 2015)
- 3. Award History
  - · EST Transportation Environmental Awards, the Environment Minister's Award (Awarded jointly with Fujisawa City and others) (February 26, 2015)



Yokohama Car Free Day



Lecture on a visit to Kouzan Junior High School, Okazaki City, Aichi Prefecture. Attracting great interest by students.

# X Future Initiatives

In the DeuSEL® project, Isuzu strives to tackle two social needs: environmental preservation and energy security. Isuzu will offer its technologies and know-how to Euglena in order to demonstrate verification testing of the bio-fuel toward earlier commercialization.

#### **Protecting Customer Vehicles during Floods**



Since July, 2014

In July 2014, Isuzu, Isuzu Motors Sales Ltd., and Isuzu domestic dealers tied up and launched a new activity to help ensure the safety of our customers during floods and protect their vehicles from further damages.

# **Background**

Based on experiences in the Great East Japan Earthquake and other disasters, Isuzu offers inspection and repair services for vehicles that have been submerged.

In recent years, different regions of Japan have seen frequent damages from sudden heavy rains or powerful typhoons, and so the Isuzu Group has determined to strengthen its response to flood damages.

## About the activity

The team prepared a manual that describes initial response actions to take during a flood. It helps the dealers to instruct their customers to take quick and appropriate actions if their vehicles become submerged.

Moreover, this new scheme can support Isuzu dealers by sending out disaster information such as flood alerts and river overflows.

# **Purpose**

To respond to customer needs, Isuzu dealers ensure the safety of customers in the event of a disaster and that they take actions to protect customer vehicles from further damages such as vehicle fires or engine damage.

#### **Introduction of the TFT Program**



Since April, 2014

In April 2014, the TABLE FOR TWO (TFT) program kicked off in the employee cafeteria and the cafe area of Isuzu Omori Headquarters with the purpose of making it easier for employees to contribute to society while enjoying healthy food.



#### How the TFT Program works

The program allows Isuzu employees to donate 10 yen whenever they purchase healthy menu items in the employee cafeteria or healthy drinks in the cafe area. Isuzu then adds 10 yen to the employee donation, and the total donation of 20 yen is used to supply school meals to children in developing countries.

- \* Countries supported by the incorporated non-profit organization, TABLE FOR TWO International's TFT program:
  - (1) Uganda, (2) Ethiopia, (3) Kenya, (4) Tanzania,
  - (5) Rwanda, (6) Myanmar, (7) Philippines



Making social contributions in Isuzu

#### FY2014 initiative

The initiative successfully supplied school meals for 13,660 children in FY2014.

Furthermore, there took place the Isuzu Itadakimasu ("Let's Eat!") with 2,000 People! Campaign took place along with the UN World Food Day.

Additionally, in February 2015, the cafe area started selling the Euglena Latte, a healthy drink made of products by Euglena, our partner in the DeuSEL® Project to spread the TFT program.



Euglena latte



#### **Future Initiatives**

The TFT program is scheduled to launch at both the Isuzu Fujisawa Plant and the Tochigi Plant.

# Participation in the Mt. Fuji Forestation Project



September, 2014

Since 2008, Isuzu has been participating in a project to replenish the forest located around the second station of Mt. Fuji, where damages by pests have devastated the forest.



## **FY2014 Activity**

Mt. Fuji has been registered as a World Heritage Site since 2013. The project activity takes place in part of the registered section.

The registration increased the significance of the activity, and in FY2014, there was an internal call for more participation and the scale of the activity grew, with 62 employees and their family members participating in the activity on September 6th.

#### Installing Netting Fences on 570 Nursery Trees

Before beginning the work, there was a lecture on the background and significance of the activity by the secretariat of the Mt. Fuji Forestation Project (the non-profit organization OISCA: the Organization for Industrial, Spiritual and Cultural Advancement-International).

After deepening their understanding of the activity, the participants installed netting fences on approximately 570 nursery trees around the altitude of 1,600m to protect them from deer.



Learning the significance of the



Trying hard to install netting fences with unaccustomed hands

#### 🟋 Future Initiatives

Isuzu continuously panticipates in the Mt. Fuji Forestation Project. We strive to help maintain the value of the mountain suitable for the world heritage name and protect the value for future generations.

# **Eco Cap Activity**



Since 2008

This activity began with Isuzu in 2008, and total of 1.06 million PET bottle caps were collected in FY2014.

The collected caps will be used to raise money for polio vaccines for 1,900 children in developing countries through a NPO, and be used at elementary schools in Kanagawa Prefecture for the social contribution activities by the children.



#### **Index of Social Contributions Initiatives**



Support for the Great East Japan Earthquake

Initiatives in Japan

Initiatives in Overseas

# Support for Treating and Preventing the Spread of the Ebola Virus

September, 2014

In September 2014, Isuzu donated five million yen to Médecins Sans Frontières (MSF), the sole medical aid charity to provide treatment in the West Africa region affected by the outbreak of the Ebola Virus. The money was donated as an activity fund for treating and preventing the spread of the disease.



# Educational Aid Program at Training School for Auto Mechanics (Philippines) [ISUZU HEART & SMILE PROJECT]

Since November, 2008

Since November 2008, Isuzu has conducted an educational program focused on disadvantaged children at a vocational school for auto mechanics under the TESDA \* in Tacloban City on the island of Leyte, the Philippines.



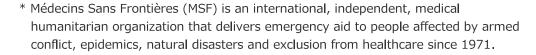


# **Support for Treating and Preventing the Spread** of the Ebola Virus



September, 2014

In September 2014, Isuzu donated five million yen to Medecins Sans Frontieres  $(MSF)^*$ , the sole medical aid charity to provide treatment in the West Africa region affected by the outbreak of the Ebola Virus. The money was donated as an activity fund for treating and preventing the spread of the disease.





# Educational Aid Program at Training School for Auto Mechanics (Philippines) [ISUZU HEART & SMILE PROJECT]



Since November, 2008

Since November 2008, Isuzu has conducted an educational program focused on disadvantaged children at a vocational school for auto mechanics under the TESDA \* in Tacloban City on the island of Leyte, the Philippines.

\* Technical Education and Skills Development Authority



## **Reopened Training School After Typhoon Haiyan**

The training school was devastated by the typhoon Haiyan, which caused serious damage when it struck the Philippines in November 2013. The school was later reopened in February 2015 through restoration challenges along with local support groups.

67 students returned safely and attended the re-opening ceremony.



67 students on the reopening ceremonv.



The news of the school's re-opening attracted great attention from various local media outlets.

# **Great success of former students**

#### ■ Many students are certified with NC-IV, the highest-ranked national qualifications.

As of November 2013, the program has sent 135 students certified with NC-IV, one of the highest-ranked national certificates for auto mechanics. They are now playing major roles as auto mechanics at dealers and service shops in their own countries and in different countries around the world.

## Former students won second place at I-1GP.

At the 9th Isuzu World Service Skill Competition\* (I-1GP) in November 2014, two students who now work at a dealer in the Philippines were qualified at the local preliminary. They won second place in Category B (low EU emission country group).

Out of 36 participants in the national preliminary in the Philippines, nine were the former students. This is an endorsement of the achievements of this educational aid program even among other Isuzu operations in the country.

\* Highly skilled service staff members and mechanics are selected from countries and regions around the world to compete based on their engineering skills and knowledge. In 2014, 31 countries entered.



Former students who entered the I-1 GP

# **X** Future Initiatives

Isuzu will contribute to the economy and the development of the automobile industry in the Philippines by continuing its support, including the engineering aspects.

#### **Environmental Initiatives**



The entire Isuzu Group is taking initiatives to address environmental conservation.

## Initiative Policy, Promotion System, and Management for Environment

Isuzu tackles environment conservation through its business operations as a global corporate citizen.

- Environmental Initiative Policy (Isuzu Charter on the Global Environment)
- Environment Promotion System
   (Isuzu Global Environment Committee)
- Environment Management (Development and operation of Environment Management System (EMS), Isuzu Green Procurement Guidelines, Promoting measures by our business partners)



#### **Index of Environmental Initiatives**

Isuzu introduces after the FY2014 initiatives.

- · Isuzu's Initiatives
- · Isuzu Group's Initiatives
- · Environmental Impact Data



Please see the "Stakeholder Index" to view by stakeholder.

# **Initiative Policy, Promotion System, and Management for Environment**



Environmental Initiative Policy **Environmental Promotion System** 

Environmental Management

#### **Isuzu Charter on the Global Environment**

This is Isuzu's environmental vision to create a prosperous and sustainable society.

#### Basic Policy



- We will create a prosperous and sustainable society.
- · We will reduce environmental impacts through our operations.
- We will collaborate with the community and participate in social activities.

#### Action Guidelines

- 1. Create a sustainable society
- 2. Promote environmental technology
- 3. Comply with laws and work towards self-imposed targets
- 4. Formulate an environmental management system and collaborate with affiliate companies
- 5. Enhance communication with and contributions to society
- 6. Promote education and training and nurture environmental awareness

# Initiative Policy, Promotion System, and Management for Environment



Environmental Initiative Policy **Environmental Promotion System** 

Environmental Management

#### **Isuzu Global Environment Committee**

Led by the Isuzu Global Environment Committee (founded in August 1990), we have launched four environment committees to seek solutions for environmental issues.

#### The role of the Isuzu Environment Committee

- Establishment of policy on environmental challenges
- · Progress management of activities based on the policy on environmental issues
- Discussion on important matters regarding environmental issues
- Promotion of external PR activities, internal education activities, etc.

#### ■ The Composition of the Isuzu Environment Committee



# Initiative Policy, Promotion System, and Management for Environment



Environmental Initiative Policy Environmental Promotion System

Environmental Management

# Development and operation of Environment Management System (EMS)

Isuzu structures the environment management system (EMS) and verifies that it is operating properly through periodic internal audits.

Furthermore, the Isuzu EMS has been certified with ISO14001 and continuously verified for valid operations through external audits as well as the internal audits.

\* ISO14001 certificates are recommended not only to Isuzu but also to the entire Isuzu Group inside and outside Japan.

Isuzu values the issues found through the internal and external audits for improvements. The issues are assessed for validity after actions, if any, are taken.



ISO14001 certificate

#### **Isuzu Green Procurement Guidelines**

Our business partners are expected to lead environmental initiatives along the lines of the Isuzu Green Procurement Guidelines based on an understanding of the purposes.

#### Isuzu Green Procurement Guidelines (outlines)

#### 1. Purchasing basic vision / Basic policy / Slogan

#### 2. Requests to our business partners

- · Structuring environmental management systems
  - · Certification of ISO14001
- Managing environmentally hazardous substances
  - · Usage restriction with specified parts and compliance to the substances subject to reporting
  - · Provision of information on materials and environmentally hazardous substances
  - · Reduction of environmentally hazardous substances
  - Reduction of interior VOC\*1
  - · Ban of inclusion of environmentally hazardous substances
  - · Suitable disposal of wastes from equipment installations or constructions
- · Initiatives for environmental improvements in business activities of our business partners
  - · Compliance with related environmental laws and regulations
  - · Improvement of environmental performance
- Response to LCA\*2
- Reduction of CO<sub>2</sub> emissions and packaging/shipping materials from logistics
- st1 VOC: Volatile Organic Compounds. Volatile organic compounds such as formaldehyde and toluene
- \*2 LCA: Life Cycle Assessment

#### Promoting measures by our business partners

#### 1. Construction of environment management system

- We encourage our business partners to obtain the ISO14001 certificate or to structure environment management systems based on certificates and registration systems equivalent to ISO14001.
- · Compliance with related environmental laws, regulations and related ordinances enforced by local governments.

#### 2. Control of environmentally hazardous substances

- Obtain the ISO14001 certificate or to structure environment management systems based on certificates and registration systems equivalent to ISO14001.
- · Compliance with related environmental laws, regulations and related ordinances enforced by local governments.
- Data collection of energy input/waste of designated related parts to LCA\*1
- · Continuous collection of material data using IMDS\*2
- Promoting a reduction in parts containing highly concentrated VOC\*3 / Survey on newly regulated substances
- · Activation of energy-saving activity for reduction of CO<sub>2</sub> emissions
- \*1 LCA:Life Cycle Assessment
- \*2 IMDS: International Material Data System. System to collect material components of parts and information on chemicals through the Internet
- \*3 VOC: Volatile Organic Compounds. Volatile organic compounds such as formaldehyde and toluene

#### **Index of Environmental Initiatives**



Isuzu's Initiatives

**▼ Isuzu Group's Initiatives**

Environmental Impact Data

# Manufacturing environmentally friendly products

For all of Isuzu product development initiatives, Isuzu upholds its principle of See Technologies, which guides us in perfecting technologies in the three fields of Safety, Economy, and the Environment.

Isuzu has identified the eight priority tasks in engineering environmentally friendly vehicles. Environmentally friendly products are under development across the divisions while individual special committees are set up for the respective tasks.

# Targets and achievements (Isuzu Fujisawa Plant and Tochigi Plant)

Isuzu introduces its environmental activity targets and FY2014 achievements.



Fujisawa Plant's solar power panels

# Manufacturing environmentally friendly products



For all of Isuzu product development initiatives, Isuzu upholds its principle of See Technologies, which guides us in perfecting technologies in the three fields of Safety, Economy, and the Environment.

Isuzu has identified the eight priority tasks in engineering environmentally friendly vehicles. Environmentally friendly products are under development across the divisions while individual special committees are set up for the respective tasks.





# Improvement in fuel efficiency for CO2 reduction

#### Improvement in fuel efficiency in the latest models (FY2014)

The latest models of ELF and FORWARD for the Domestic market have enhanced their respective fuel economies by 10% and 5% at maximum (FY2015 heavy-duty vehicle fuel economy standard in Japan).

Improving fuel economy is effective in reducing the CO<sub>2</sub> generated from fuel refining. Isuzu continues to promote activities toward the number one lowest fuel economy.

Item	ELF (equipped with an eco-stop system)	FORWARD (equipped with an eco-stop system)
CO <sub>2</sub> reduction (converted value)	riangle 10.8g (Equivalent to amount of CO2 absorbed by 14 cedars)	△15.0g (Equivalent to amount of CO₂absorbed by 25 cedars)
Heavy-duty vehicle fuel economy standard in Japan	+10%	+5%

- \* ELF and FORWARD are a pet name in Japan
- \* CO<sub>2</sub> reduction amount: For 30 seconds of idling.
- \* Frequency of eco-stop: ELF [150,000 times], FORWARD [120,000 times]
- \* Amount of CO<sub>2</sub> absorbed: Amount absorbed by cedar materials
- \* Conversion coefficient: Referenced from "carbon dioxide emission examples by fuel (issued by Ministry of the Environment)" and "Forestry and Fisheries" data.

# Reduction of environmentally hazardous substances (thorough practice of control of chemical substance contained in products)

Isuzu thoroughly practices control of the chemical substances based on domestic and overseas chemical substance regulations including the European REACH regulations\* its changed constantly by using the IMDS (International Material Data System) to learn about the chemical substances contained in products.

\* European REACH regulations:

New chemical substance regulations from the European Union, effective since June 2007.

# Reduction of vehicle interior VOC (Global announcement of VOC measures)

The domestic vehicle interior VOC\* reduction activity has expanded to a global scale. In overseas markets, Isuzu offers products that have met the guideline values and specified substances designated by the Ministry of Health, Labor and Welfare

The interior VOC reduction activity will be also further expanded to a global scale.

\* VOC (Volatile Organic Compounds):
Organic compounds that are highly volatile at room temperature/normal pressure such as formaldehyde and toluene.
Exposure to high densities of these chemical substances can cause health problems such as nose or throat irritation or the so-called Sick Building Syndrome.

#### [Applicable models]





Pickup truck D-Max

SUV MU-X

# **Promotion of cleaner emissions**

Isuzu leads activities for cleaner emissions by reducing hazardous substances contained in emissions, such as NOx, SOx, and PM.

In FY2014, the GIGA, FORWARD, and ELF models with improved gas emissions met the Post New Long Term Emission regulation(Japan) and were released to Japanese market.

Isuzu continues its efforts in high-efficiency diesel engine development to offer models that conform with the latest emissions regulations.



#### **Future Initiatives**

Isuzu will continue its efforts toward innovative environmental engineering to empower its development of environmentally friendly products.

# Target and achievement (Isuzu Fujisawa Plant and Tochigi Plant)



#### Reduction of CO<sub>2</sub> emissions

- Changes in CO2 emissions per production unit

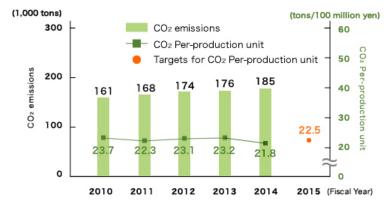
#### Target

CO<sub>2</sub> emissions per production unit: Reduction of 5% or more from FY2010 by FY2015

#### FY 2014 achievements

CO<sub>2</sub> emissions amount: 185,000 tons

CO<sub>2</sub> emissions per production unit: 21.8 tons/hundred million yen (8% reduction from FY2010)



The production volume increase triggered greater CO<sub>2</sub> emissions in FY2013, but Isuzu continued CO<sub>2</sub> reduction initiatives helped to achieve the reduction target for emissions per production unit. We are further engaging in activities to achieve the target value by promoting energy JIT (Just In Time).

#### Major CO<sub>2</sub> Reduction Initiatives

- Use of a large-scale combined heat and power system to provide electricity and a heat source for plants
- · Use of small-scale combined heat and power systems for new buildings
- $\cdot$  Use of highly efficient multi-can boilers
- · Use of inverter air-conditioning equipment and power equipment
- · Promotion of "eco-stop" and "no-idling"
- Improving the working efficiency of large-scale air compressors (deployment of small-sized equipment)
- · Introduction of lighting equipment which uses renewable energy
- · Introduction of high-efficiency lighting equipment
- · Added the Co-generation system for new buildings (Tochigi Plant)
- Installation of a solar power facilities (Fujisawa Plant)



Tochigi Plant Co-generation System



Fujisawa Plant's solar power panels

# Reduction of waste - Changes in amount of final landfill wastes

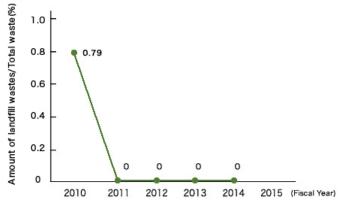
#### Target

Amount of landfill wastes (tons)/Total waste (tons) = 1.0% or less

#### FY 2014 Achievement

Amount of landfill wastes (tons)/Total waste (tons) = 0.0 %

\* Amount of landfill waste: 0 tons, Total industrial waste amount: 7,710 tons



Isuzu succeeded in maintaining a landfill waste level of zero tons by thoroughly practicing classification control and various waste reduction efforts.

#### Waste reduction activities

- Expansion of items to be converted to valuable resources by seeking new purchasers
- Careful sorting and collection; promoting recycling after disassembly and scrapping
- · Reduction of the total amount of waste and reduction of by-products
- Promotion of material recycling of plastic products
- · Expansion of recycling by sorting waste oil
- Promotion of recycling the clay attached to foam polystyrenes
- · Reduction of emission by returning wooden pieces used as partitions
- · Promotion of turning helmets and safety caps as valuables
- · Recycling of compact rechargeable batteries
- Reduction of paint residues by changing the chemicals used in the circulation tank
- Recycling of iron powders from the forging process into as steel materials



Waste oil separation device



Paper and Iron separation device

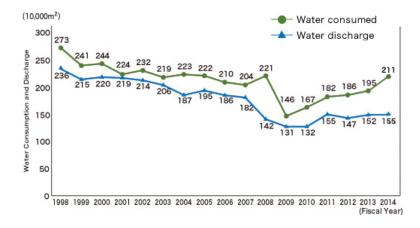
#### **Effective use of water resources**

Isuzu effectively uses water resources by promoting water saving and water recycling in the final water treatment process, and filtering ground water for daily life usage.

#### FY 2014 Achievement

Water Consumption: 2,110,000 m3

Fujisawa Plant, which consumes a high volume of water, leads water-saving activities by re-using washing water from the electro coating process and recycling treated sewage for bathroom use. In FY2014, however, water consumption rose by approximately 4% in comparison to FY2013 due to the increase in production volume.



# Reducing VOC\* emissions in Fujisawa Plant

\*VOC: Volatile organic compounds (mainly organic solvents)

#### Target

VOC emission rate: under 19.2 g/m<sup>2</sup>

#### FY 2014 Achievement

VOC emission rate: 18.3 g/m<sup>2</sup>



# **Training Programs of Environmental education**

Isuzu provides training programs about general environmental education, related laws and regulations, and various programs for ISO internal auditors.

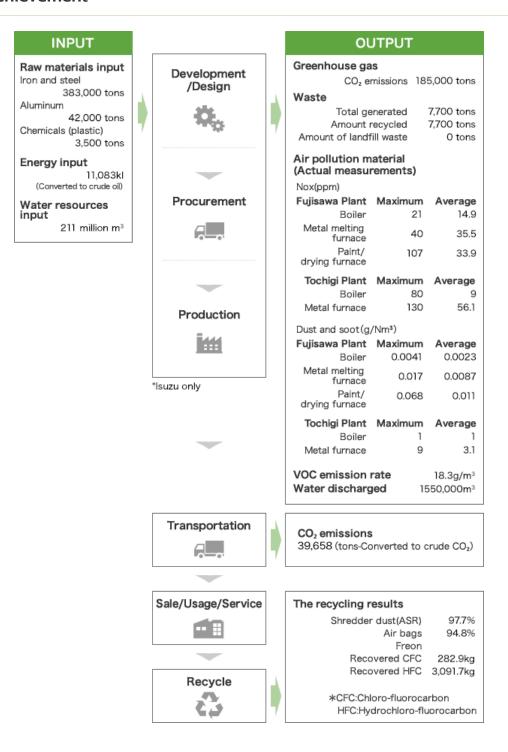
#### FY 2014 Achievements

Item		FY2014 achievements
General environmental education	For the new employees	
	For 3R promotion month	541 employees
	For energy-saving month	
Environmental law and regulations training		91 employees
ISO internal auditor training	New employee training	
	Skill training	191 employees
	Improvement training	191 employees
	Workshop	

# Business activity and environmental hazard (FY 2014)

Through a product life cycle (development, procurement, manufacturing, logistics, product operation, and disposal), Isuzu reduces environmentally hazardous substances. They are analyzed in each process with the focus placed on the ones highly likely to pose a risk.

#### FY 2014 Achievement



#### **Index of Environmental Initiatives**



Isuzu's Initiatives

Isuzu Group's Initiatives

Environmental Impact Data

# Isuzu Group Energy-Saving & 3R Award

Isuzu calls for entries for the Isuzu Group Energy-Saving & 3R Award related to energy conservation activities or 3R-related improvement activities, mainly from the Manufacturing Division in group companies.

The award was established in FY2013 to recognize selected activities for their excellence.

In this award, among 50 entries from nine Isuzu Group companies, Isuzu Fujisawa Plant received the award for their maintenance-free coolant tank.



# Promotion of biodiversity through conservation of the natural environment of communities (WAcom Hokkaido CO., Ltd.)

WAcom Hokkaido (Mukawa town, Yufutsu-Gun, Hokkaido) conducts automobile testing on consignment and owns a wide range of test courses. Their vast site is the size of 92 Tokyo Domes.

This vast site is very rich in nature. To continue to protect the natural environment, WAcom Hokkaido conducts natural environment conservation activities with people in neighboring communities.



Landing Japanese crane

# **Environmental initiatives in logistics**

The entire group is committed to reducing CO<sub>2</sub> emissions in a variety of logistics-related situations.



Truck transportation using automobile carrier

# Promotion of domestic and overseas fuel-efficient driving seminars

 $CO_2$  is emitted the most during usage of the products in the course of a product life. Thus, Isuzu puts effort into hosting fuel-efficient driving seminars inside and outside Japan where participants learn how to drive in a fuel-efficient manner according to product driving performances.



Fuel-efficient Driving Seminar (Japan)

# Target and achievement (Isuzu group companies)

Isuzu introduces its environmental targets and FY2014 achievements.



## Isuzu Group Energy-Saving & 3R Award



Isuzu calls for entries for the Isuzu Group Energy-Saving & 3R Award related to energy conservation activities or 3Rrelated improvement activities, mainly from the Manufacturing Division in group companies.

The award was established in FY2013 to recognize selected activities for their excellence.

In this award, among 50 entries from nine Isuzu Group companies, Isuzu Fujisawa Plant received the award for their maintenance-free coolant tank.

# Award-winning "Maintenance-free coolant tank" by Isuzu Fujisawa plant

They have successfully accomplished a maintenance-free coolant tank by improving the method of collecting waste generated while griding automotive parts, such as by grinding powders or abrasive grains mixed in coolant (cutting fluid).

Not only has the tank improved the work efficiency and the grinding quality, but also it made it possible to sort waste that had been treated as industrial wastes, but can now be turned into valuable resources to sell.





#### Future Initiatives

In addition to the award-winning activity, all of the award entries are shared and horizontally applied across the Isuzu Group. This is in the aim of further stimulating the group's environmental activities.

# Promotion of biodiversity through conservation of the natural environment of communities (WAcom Hokkaido CO., Ltd.)



WAcom Hokkaido (Mukawa town, Yufutsu-Gun, Hokkaido) conducts automobile testing on consignment and owns a wide range of test courses. Their vast site is the size of 92 Tokyo Domes.

This vast site is very rich in nature. To continue to protect the natural environment, WAcom Hokkaido conducts natural environment conservation activities with people in neighboring communities.

For details on WAcom Hokkaido CO., Ltd.

# Activity for preserving the pure water of Mukawa River

To protect the Mukawa River, which boasts some of the clearest water in Hokkaido, the company has set up a sand control dam\* in the balancing reservoir so that they can manage the reservoir water and maintain the quality of the water that ultimately runs into the Mukawa River.

Moreover, after consultation with Mukawa Town, Water oaks were planted within the site to conserve the rich water sources that can be found in the thick forest. The oaks, which are locally grown in the neighboring communities, are known for effective wellhead protection.



It is set up in a minor stream and makes it possible to prevent landslide damage. It is different from general dams and is specifically designed to prevent landslide damages.



Sad control dam installed in the site



Planted Water Oaks

# **Activity Achievement**

Japanese cranes in flight are sometimes seen at the site, as are groups of skunk cabbages. Japanese cranes are known as the Hokkaido regional bird and are also a vulnerable species.



Landing Japanese crane



A group of skunk cabbages



#### **Future Initiatives**

WAcom Hokkaido will continuously strive to maintain the ecosystem of the communities through the natural environmental conservation of the site. Moreover, the company works together with local people to direct the conservation of biodiversity and protect Mukawa's rich natural environment.

# **Environmental initiatives in logistics**



On logistics routes, including transport of parts for vehicle production, the entire Isuzu group undertakes CO<sub>2</sub> reduction by enhancing logistically efficient and fuel-efficient driving during transport.

# Reducing CO<sub>2</sub> through shorter transportation distances and fuelefficient operations (Isuzu Linex Co., Ltd)

Isuzu Linex (Shinagawa-ku, Tokyo) which is engaged in the transport of parts and finished vehicles, has been reducing CO<sub>2</sub> by:

- · Shortening transport distances after reviewing the transport routes of parts,
- · Promoting fuel-efficient driving during transport,
- Increasing fleets through development of new sea routes, etc.



Truck transportation using automobile carrier

# Load capacity improvement to reduce packaging material amounts after packaging format review (i-Pack co., Ltd)

i-Pack (Fujisawa-city, Kanagawa), which is engaged in the transport of assembly parts destined for overseas plants, reviewed transport packaging formats of KD parts for higher transportation efficiency.

This successfully reduced the amounts of packaging materials by making it possible to carry more parts in less space.

Amount reduced (iron)

-19.3 tons/year

(Converted to CO<sub>2</sub>:37.6 CO<sub>2</sub> tons/year)



Packaging cabs and axle cases into one case. The cabs and axle cases were previously individually packaged.

#### I

#### **Future Initiatives**

Isuzu group will proceed our environmental activities including CO<sub>2</sub> reduction and 3R promotion in various logistics situations.

# Promotion of domestic and overseas fuelefficient driving seminars



CO<sub>2</sub> is emitted the most during usage of the products in the course of a product life. Thus, Isuzu puts effort into hosting fuel-efficient driving seminars inside and outside Japan where participants learn how to drive in a fuel-efficient manner according to product driving performances.

# 14 countries, 192 sessions, 2,769 participants (FY2014 achievements)

These fuel-efficient driving seminars have been carried out continuously since 1995, and in FY2014 a total of 2,769 participants attended 192 sessions in 14 countries.

The fuel efficiency of normal driving is measured and then compared with the fuel efficiency of driving after taking the seminar for the method of fuel-efficient driving, and the difference (approximately 30% improved on average) is appreciable.



Fuel-efficient Driving Seminar (Japan)



Fuel-efficient Driving Seminar (overseas)

#### 🟋 Future Initiatives

Isuzu is developing fuel-efficient engineering, and encourages fuel-efficient driving through the seminars as an effort to reduce CO<sub>2</sub> generated from driving.

# Target and achievement (Isuzu group companies)



# Reduction of CO<sub>2</sub> emissions -- Changes in CO<sub>2</sub> emissions per sales unit in 10 domestic companies and 13 foreign companies of Isuzu production group

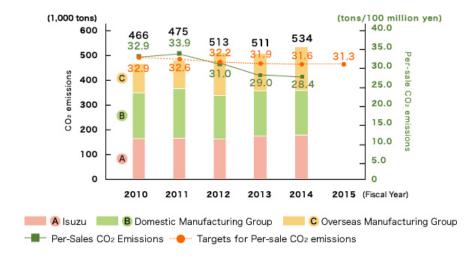
#### Target

CO<sub>2</sub> emissions per sales unit: Reduction of 5% or more from FY2010 by FY2015

#### FY 2014 Achievements

CO<sub>2</sub>emissions amount: 534,000tons

CO<sub>2</sub> emissions per sales unit: 28.4 tons/hundred million yen (14% reduction from FY2010)



Isuzu reduced CO<sub>2</sub> emissions in various activities in FY2014 despite an increase of production in Japan. This has successfully led to lower CO<sub>2</sub> emissions per sales unit across the Group.

Also, energy consumption in the overseas production group increased by new plant launches and a cold snap in North America and as the result, CO<sub>2</sub> emissions increased.

# Reduction of waste - Changes in amount of final landfill wastes in 10 domestic companies and 13 foreign companies of Isuzu production group

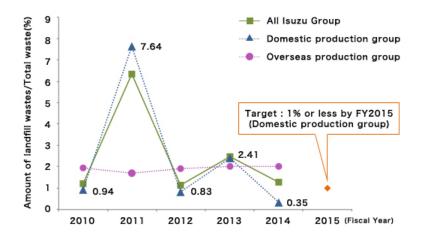
#### Target

Amount of landfill wastes (tons)/Total waste (tons) = 1% or less by FY2015 (Applied only for Isuzu domestic production group)

#### FY 2014 Achievements

Amount of landfill wastes (tons)/Total waste (tons):

- 1.26% (All Isuzu production group)
- 0.35% (Isuzu domestic production group)
- \* Amount of final landfill waste: 2,851 tons (Domestic production group: 557 tons)



The final landfill waste was increased in FY 2013 due to the Great East Japan Earthquake. But in FY 2014, it succeeded to reach the target in domestic production group by initiatives of reduction for landfill waste. Isuzu will continue current initiatives of landfill waste reduction and keep the target late.

## **Power-saving Initiatives in Logistics**

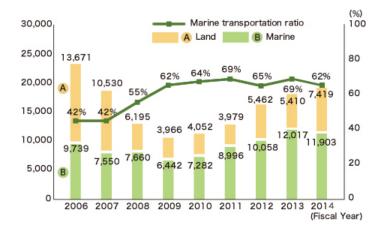
#### Target

Reduce energy consumption (per unit\*):By 1.0% or more compared to FY2013

\* Per unit: Energy consumption (crude oil equivalent kl)/Net sales of Isuzu Group (millions of yen)

#### FY 2014 Achievement

Reduce energy consumption (per unit):By 1.0% compared to FY2013



#### **Major Activities**

- Increased efficiency of truck transportation
  - · Management of transportation according to the payloads of the trucks
- Improvement on transportation of export containers
  - · Increasing transportation by trailers with better container filling rate
- · Promotion of modal shift
  - Increased marine transportation in cooperation with dealers in transportation of product vehicles
- · Promotion of use of the foldable racks on return
  - Reduced material usage and improved transportation efficiency by expanding the range of usage of the racks.
  - Reduced the amounts of packaging materials by making it possible to carry more parts in less space
- · Promotion of eco-driving
  - By cooperating with the logistic companies, energy conservation driving, and the fuel consumption management are promoted.



Truck transportation using automobile carrier

### **Index of Environmental Initiatives**



Isuzu's Initiatives

**▼ Isuzu Group's Initiatives**

Environmental Impact Data

# Principle environmental impact data (CO<sub>2</sub> emissions, CO<sub>2</sub> unit per production process, amount of landfill waste, etc.)

Ite	ems	FY2014 Achievements	Notes
Energy consumption (converted to crude oil)		11,083 kl	Fujisawa Plant and Tochigi Plant
Water consumption		211 million m <sup>3</sup>	Fujisawa Plant and Tochigi Plant
CO <sub>2</sub> emissions		185,000 t	Fujisawa Plant and Tochigi Plant
CO <sub>2</sub> unit per production		21.8 tons/100 million yen	Fujisawa Plant and Tochigi Plant
	Total generated	7,710 t	Fujisawa Plant and Tochigi Plant
Waste	Amount recycled	7,710 t	Fujisawa Plant and Tochigi Plant
	Amount of landfill waste	0 tons	Fujisawa Plant and Tochigi Plant
Water discharged		155 million m³	Fujisawa Plant and Tochigi Plant
VOC emission rate		18.3 g/m²	Fujisawa Plant

<sup>\*</sup> Plant: Fujisawa Plant and Tochigi Plant

# **Environmental Accounting (accounting scope: Isuzu)**

To ensure that Isuzu is efficiently and continually protecting the environment, Isuzu adds up its environmental conservation costs and effects.

The objective of this type of accounting is to provide a tool for making decisions on how to invest efficiently in environmental conservation, and this information is also disclosed as a business measure.

#### Environmental conservation costs

The amount of investment was 7,926 million yen, which was an increase of 2,068 million yen from the previous year. The costs were 36,742 million yen, which was an increase of 9,639 million yen from the previous year. Details are shown in the table below.

		Amount of investment	Costs	Major activities
	Costs for pollution prevention	60	375	Prevention of air pollution / Wastewater treatment, Maintenance of pollution prevention facilities
Business-area cost	Costs for environmental conservation	447	422	Energy-Saving activities and Reduction of environmentally hazardous substances
	Costs for waste treatment and reduction efforts	111	889	Costs for waste treatment and waste reduction efforts
Upstream and downstream costs		0	2,707	Re-manufacturing engine and transmissions
Management activity costs		73	312	Costs for internally addressing the Japanese Automotive Recycling Law, environmental education
Research and development costs		7,235	32,001	Introduction of development facilities and manufacturing facilities for environmentally friendly products to comply with domestic emissions regulations
Social activity costs		0	30	Costs of supporting environmental conservation activities
Environmental damage recovery costs		0	6	Surcharge on pollution impact
Total		7,926	36,742	

<sup>\*</sup> Target period: April 1, 2014 to March 31, 2015

<sup>\*</sup> Unit: millions of yen

# **■** Effects of environmental conservation

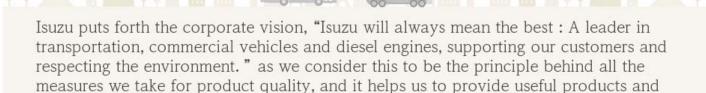
Classification	Details of effects	Effects
Economic effect (Unit: millions of yen)	Energy cost reduction through energy conservation	160
(Offic. Hillions of year)	Profit on sales of variable resource	2,106
Quantitative effect (tons)	CO <sub>2</sub> reduction (CO <sub>2</sub> amount: tons)	3,124

<sup>\*</sup> Target period: April 1, 2014 to March 31, 2015

# **Quality Initiatives**

service to our customers.





# **Initiative Policy and System for Quality**

By putting first priority on quality, we at Isuzu create products that bring satisfaction to our customers in a profound way, and our goal is to contribute to society as a company with a rich sense of humanity.

- · Policy for quality initiatives
- System for quality initiatives
   (Quality management system, Total quality assurance system)



# **Quality Initiative Report**

Isuzu introduces after the FY2014 initiatives.

- Initiatives for higher product quality (Initiatives at the development stage, Initiatives at the manufacturing stage, Initiatives for higher field quality)
- Initiatives for higher service quality (Service system, Parts supply system, Improvement of maintenance engineering, Customer support)
- Initiatives for higher operation quality (Awareness and knowledge education for employees)



Please see the "Stakeholder Index" to view by stakeholder.

# **Initiative Policy and System for Quality**



#### Policy for quality initiatives

#### System for quality initiatives

We at Isuzu not only make efforts to improve the quality of our products and services, but also work to raise the awareness and enhance the knowledge of each employee with regards to the quality of their individual operations, as we believe that will result in providing the quality demanded by customers.



# **Initiative Policy and System for Quality**



Policy for quality initiatives

System for quality initiatives

# Quality management system (ISO9001, ISO/TS16949 certified)

All Isuzu offices have been certified with ISO9001:2008, an international standard of quality management.

Moreover, components to be delivered to GM (General Motors, based in the U.S.) are certified with ISO/TS16949:2009, the standard for the automobile sector. Isuzu has been striving to enhance its operational quality using such measures.



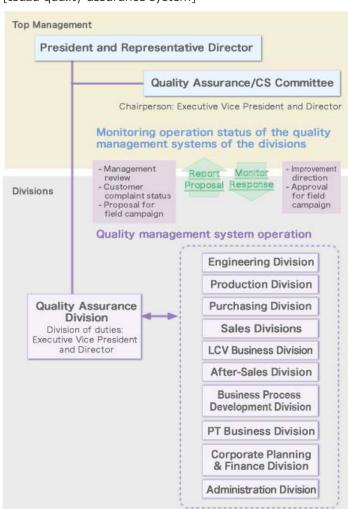


top: ISO9001 bottom: ISO/TS16949

## Total quality assurance system

Isuzu has prepared itself to fully meet its social and quality responsibilities as a manufacturer under the Isuzu quality assurance system, which is structured as shown below. The Quality Assurance Division leads Isuzu's united efforts toward enhanced quality.

The Quality Assurance/CS committee is chaired by the Executive Vice President and director and is held monthly so that the top management of all divisions can have discussions and share information on the quality status as well as the monitoring operation status of the quality management systems of the divisions. The outcomes are shared to drive forward the quality assurance activities of the business divisions.



## **Quality Initiative Report**

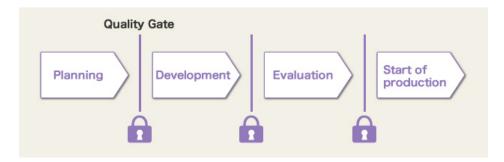


- Initiatives for higher product quality
- Initiatives for higher service quality
- Initiatives for higher operation quality

A number of activities have been undertaken to improve quality at stages from product development and production to operation in markets.

# Initiatives at the development stage

Our product development philosophy is to gain the trust of every person. This is supported by the basic concept of "See Technology", where See stands for the three important issues of Safety, Economy, and the Environment. To acquire the high quality to underpin this philosophy, we set "quality gates" (milestones) at different stages in product development, where the quality and the maturity of the products are confirmed so that product development can proceed.



During the development stages above, Isuzu focuses on failures and preventing the recurrence of failures. FMEA\* (Failure Mode and Effect Analysis) and other methods are used to enhance reliability and durability.

\* Failure Mode and Effect Analysis:

This systematical analysis approach helps to discover potential failures and prevent failures and defects.

# Initiatives at the manufacturing stage

Isuzu is reinforcing its human resources and production systems to offer high-level integrated products on a worldwide scale.In particular, Isuzu's manufacturing principle of Quality First, which includes its methodology and production know-how, is systematized into Isuzu Manufacturing Management (IMM).

IMM is applied to every Isuzu plant around the world as the manufacturing standard, and that's what makes Isuzu capable of maintaining consistent quality at all plants and at all locations around the globe.



# Initiatives for higher field quality

Isuzu constantly strives to make improvements by listening to and analyzing customer opinions, which are feed back into each quality-related process to ensure never-ending improvements in field quality.

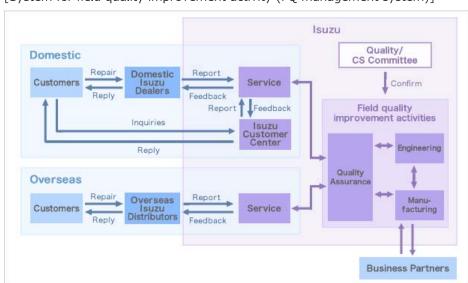
#### Initiatives toward improved field quality

Taking advantage of the FQ management system\*, Isuzu collects quality information from markets and then implements cause investigations and responds to issues promptly and accurately.

\* FQ (Field Quality) management system:

In the aim of improvement, information on quality is collected from markets and shared in the system shown in the chart below.

Isuzu gathers customer opinions from Isuzu customer center(Japan), warranty repair records, and improvement requests from Isuzu distributors/dealers as field quality information to direct to our quality improvements. Also, the top management and all employees regularly share information about important quality issues and the progress of responses to this field quality information.



[System for field quality improvement activity (FQ management system)]

#### **■** Initiatives for Recall Campaigns

The activities are intended to prevent defective vehicles from causing accidents and to secure the safety of our business partners and drivers and their assets. Based on the purpose of these activities, we ensure that our customers' vehicles operate properly by conducting recall/service campaigns if necessary.

We are always prepared to take prompt and accurate actions from the customer's perspectives in various circumstances.

# **Quality Initiative Report**



- Initiatives for higher product quality
- Initiatives for higher service quality
- Initiatives for higher operation quality

Isuzu provides standardized support both in Japan and overseas so that we can offer high-quality services.

# Service system

#### Enhancing service network

Isuzu is currently fully committed to the post-delivery customer support services.

Our customers always expect high quality. Therefore, we at Isuzu aim to establish high-quality integrated service systems for customers in Japan and overseas.



# **Service Parts supply system**

Service parts are supplied to each destination in a timely and accurate manner through the network structured with the Tochigi mother parts center and the regional parts centers in Japan and overseas.

#### Domestic

Seven regional parts centers ship the service parts to the service parts sites of Isuzu dealers.



#### Overseas

The Isuzu service parts supply network has been extended to our regional parts centers in the Middle and Near East, Central America, Europe, the ASEAN region, and Oceania in addition to our distributors across the globe.



# Improvement of maintenance engineering

#### Training employees of Isuzu domestic dealers

Isuzu offers training programs to the employees of the domestic dealers that support the Isuzu service network so that they can boost their maintenance engineering skills and learn more advanced repair works.

#### [FY2014 Achievements in Japan]

Training program in the Isuzu Training Center	41 courses and 154 sessions
Maintenance engineering workshop (for all domestic dealers)	34 sessions



At practical training sessions at the Isuzu Training Center(Japan)



At a group training session during the maintenance engineering workshop(Japan)

#### Service / Parts Skill Competition

The skill competition takes place every year for employees to engage in competition based on their daily skill training outcomes.

#### National Service / Parts Skill Competition (Japan)

The competition is held every year with the slogan "Impressive services for our customers with our established techniques and customer-oriented mind-set!"

Isuzu encourages education and training programs because they help Isuzu After Sales staff to enhance their engineering skills, which leads to higher customer satisfaction. The competition also provides motivation and its aim is to strengthen ties among staff members while they compete with each other in individual matches to be the best in Japan.

[FY2014 Achievements in Japan]

FY2014 National Service/Parts Skill Competition (November 2014)

150 participant members from all over Japan were qualified to the final.







#### Isuzu World Service Skill Competition (I-1GP)

Competent service staff members and mechanics from across the world gather and compete against each other based on their engineering skills and knowledge. The purpose is to improve service levels at a country level and to help provide the utmost satisfaction to Isuzu customers. The participants tackle challenges to defeat the other nations and become number one.

[The 9th Isuzu World Service Skill Competition (November 2014), 31 participant countries]

	1st place	2nd place
Category A	U.K.	Australia
Category B	Indonesia	Philippines

\* Category A: Emissions regulation level Euro5 or equivalent (11 countries) Category B: Except Category A (20 countries)







# **Customer support**

#### Fuel efficient and safety driving seminars and various support programs

Isuzu has been offering seminars on fuel efficiency and safety driving since 1995. In Fujisawa Plant, we have an on-site seminar facility called Isuzu Premium Club, which is exclusively for our guests. It is equipped with test courses so that we can offer more versatile seminars with rich contents.

#### Advanced telematics system Mimamori-kun (available in some markets)

As a means to monitor driving status, Isuzu recommends that customers install its unique advanced telematics system known as Mimamori-kun.

## **Quality Initiative Report**



- Initiatives for higher product quality
- Initiatives for higher service quality
- Initiatives for higher operation quality

We at Isuzu not only make efforts to improve the quality of our products and services, but also work to raise the awareness and enhance the knowledge of each employee with regards to the quality of their individual operations, as we believe that will result in providing the quality demanded by customers.

# Awareness and knowledge education for employees

Isuzu's employee training programs focus on both aspects, raising awareness and deepening knowledge, to improve the quality of operations.

#### Raising awareness

#### Discussions among employees

As an effort to improve quality, employees have a number of discussions about Telephone inquiries from customers to the Isuzu Customer Center and message from top management to the employees during Quality Month\*.

\* Quality Month

The Union of Japanese Scientists and Engineers, the Japanese Standards Association, and the Japan Chamber of Commerce and Industry have designated every November as Quality Month to promote quality improvement activities.

#### [FY2014 Achievements]

Message/theme of Quality Month	"We will continue to make excellent works for our
Message/ therne of Quality Month	customers from now and to the future!"

#### Dealer experience for young engineers in Japan

Young engineers have the opportunity to work in domestic dealer or in the front lines of service so that they can design products from a customer-oriented mind set.

#### [FY2014 Achievements]

Young engineers assigned to dealer experience	25 engineers
	_

# Quality awareness education for Isuzu dealers in Japan

To build up their quality awareness as part of the Isuzu Group, all domestic dealers undergo awareness education programs where they learn the importance of quality-related operations including accurate and prompt offer of information, ensuring the collection of defective parts and promptly implementing recall campaigns.

#### [FY2014 Achievements]

Quality awareness education for Isuzu dealers in Japan	28 sessions
--	-------------



At an awareness education session at a dealer

#### Improving knowledge (Knowledge enhancing program)

Isuzu has training programs about laws and regulations and QC to provide employees with quality-related knowledge. The laws and regulations training includes programs on recall systems and the Road Transport Vehicle Law while the QC training includes an entry-level QC course, a basic problem solving course and a problem solving practice course for quality improvement.

#### [FY2014 Achievements]

The Road Transport Vehicle Law/ Recall scheme	Session held. (for the new employees)
Entry-level QC course	129 people enrolled.
Basic problem solving course (QC training I)	105 people enrolled.
Problem solving practice course for quality improvement (QC training II)	53 people enrolled.







At laws and regulations training for the new employees

Working on a paper helicopter assignment during a QC course

### Isuzu Technical High School

Isuzu Technical High School provides the necessary basic knowledge for engineers and aims to develop future leaders. Not only do students learn the required knowledge and skills for monozukuri (craftsmanship), but the school also guides them toward a deep understanding of monozukuri as well.

They also enter national skills competition and confirm the results of their training.

#### [FY2014 Achievements]

The 52nd National Skills Competition (November 2014)

Mechanical Assembly Category: One Bronze Medal

Automobile Plating Category: Two Excellent Fighting Spirit Awards



Presenting hands-on skills in the Mechanical Assembly category



Hands-on Skills 1 in the Automobile Plating category



Hands-on Skills 2 under the Automobile Plating category

# **Respect for Employees**

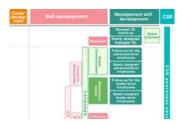
results and have job satisfaction.





# **Initiative Policy for Respect for Employees**

Isuzu respects the individuality and the personal character of each Isuzu employee and helps them to work to the full extent while creating a sound, safe, and conformable work environment where they can feel a sense of achievement and satisfaction.



# **Respect for Employees Initiative Report**

Isuzu introduces after the FY2014 initiatives.

- Higher employee satisfaction (ES)
- Personnel development (training for awareness and knowledge: activities held in Japan)
- · Initiatives for respect for employees



Please see the "Stakeholder Index" to view by stakeholder.

## **Respect for Employees Initiative Report**



# Higher employee satisfaction (ES)

Personnel development

Initiatives for respect for employees

Isuzu works intensely to improve employee satisfaction (ES) because we consider it to be a management challenge in terms of CSR and human resource development.

The ES survey is conducted periodically (every other year) to monitor changes in satisfaction levels of Isuzu employees by analyzing fixed point observations. It has been conducted seven times to date.

These survey results are used as valuable data to help build up company policies. Our efforts continue to improve ES.

## **Welfare events**

Isuzu holds various types of welfare events.

#### Welfare events (Isuzu)

#### The 2014 ISUZU Spo-Rec (Sports and Recreation) in Omori Headquarters

Selected members from each floor of the headquarters building created a heated competition for various games in front of an audience of 450 people from both the headquarters and related companies.



Many employees of the headquarters and related companies took part in the event.



Contestants participated in colorful and entertaining costumes, making the event even more fun.



[Punching Man] They competed for total punch count. They punched away their daily stress.



[Pedometer de Dance] They competied for total count of steps on a pedometer while dancing.Is this the best move you could manage?

#### The 2014 Plant Executive Cup Bowling Competitions in Fujisawa / Tochigi Plant

Isuzu Fujisawa Plant and Tochigi Plant held The 2014 Plant Executive Cup Bowling Competitions respectively. There were preliminary matches prior to the competition, qualifying 1,600 people from Fujisawa Plant and 500 from Tochigi Plant. The qualifying teams attended the final matches in November.

Participants in the final matches included teams sent not only from Isuzu internal, but also from related companies and overseas engineer trainees. The excitement of the final matches was fueled by 150 supporters, including families and colleagues.





High fives for everyone after every throw! Those are the basics of teamwork.



This is the trophy to win the Plant Executive Cup.

#### Plant tour (Fujisawa Plant and Tochigi Plant)

Each Isuzu Fujisawa Plant and Tochigi Plant offered plant tours for family members along with the Isuzu Summer Festival.

Fujisawa Plant welcomed 330 family members and Tochigi Plant 80 family members. The tours provided a rare opportunity for children to see where their mothers and fathers work.



Plant tour for employee's family members "Incredible!" exclaimed some participants.

#### Employee Day Event (P.T. Isuzu Astra Motor Indonesia: Indonesia)

On December 6, 2014, P.T. Isuzu Astra Motor Indonesia (here after "IAMI") held an Employee Day event. At IAMI, Family Day and Employee Day are held alternately every other year. This year about 1,100 employees attended. Participants took 24 buses to Bandung, which is about 200 kilometers from Jakarta, to attend &Trans Studio Bandung," the largest indoor theme park in Asia. Many employees went onstage and danced at the lottery. It was a very fun event.





# **Creating Safe and Sound Workplaces**

Various activities are practiced to create safe and sound workplaces.

#### Initiatives for creating safe and sound workplaces (FY2014)

Main Themes	Action Items
Prevention of industrial accidents	<ul> <li>Increase in safety knowledge and awareness.</li> <li>Ensure safety during work (Review procedure manuals, instruction in work safety, etc.)</li> <li>Confirm intrinsic safety of production facilities.</li> </ul>
Prevention of fire accidents	<ul> <li>Appropriately maintain and control facilities and equipment that use hazardous materials.</li> <li>Understand and eliminate factors causing fire accidents.</li> </ul>
Prevention of traffic accidents	<ul><li>Prevent traffic accidents of commuters by car and motorcycle.</li><li>Improve traffic safety awareness campaigns.</li></ul>
Health promotion	<ul><li>Industrial physicians interview employees with excessive overtime.</li><li>Implement training of mental health administrators.</li></ul>
Improvement of work environment	<ul> <li>Continue performing environmental evaluation during safety assessments.</li> <li>Promote the creation of comfortable work environment.</li> </ul>
Disaster measures	<ul> <li>Reviewing measures against earthquake (creating manuals, developing disaster prevention facility in several phases etc.)</li> </ul>

# **X** Future Initiatives

Isuzu tackles the challenge of creating work sites that allow the employees to fully comply with the safety basics: the Three Safety Principles, Isuzu's Five Safety Behaviors, and the Ten Prohibited Items.

Moreover, in order to achieve the targets of the plant safety control items, Isuzu will continue to steadily carry out safety patrol for near-accidents, the KY activity, and other measures.

# Creating healthy mind and body

(Unit: employees)

Main Themes	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Specific healthcare guidance (for metabolic syndrome)	506	567	737	748	709
Patients receiving health check-ups	4,256	4,920	4,710	4,837	5,574
Mental health counseling users	69	94	66	73	120
24-hour telephone health counseling users	213	252	202	186	214
Recreation and sport event participants	410	250	276	137	681
Home health services/guidances for elderly patients	13	9	9	15	14
Seminar participants	32	18	22	12	46
Lifestyle-related disease prevention, promoting gargling/hand washing, walking challenge program, and other health related activities.	2,510	2,291	2,134	2,101	1,980
Breast cancer screening	-	41	133	121	109

#### 💢 Future Initiatives

With patients in their 40s and above, medical costs to cover lifestyle diseases rise, making it necessary to strengthen the Specific Healthcare Guidance rate as a preventative measure. To do so, Isuzu assigns more personnel for the Special Healthcare Guidance and prepares effective Specific Healthcare Guidance to reduce the number of employees affected by diseases.

We believe that verification and analysis of effects are necessary to stimulate more participation in a public health service such as various campaigns. We will plan and manage better public health service.

This is a part of the data health plan that starts in FY 2015 as an activity toward longer healthy lifespans of the people of Japan.

#### **Respect for Employees Initiative Report**



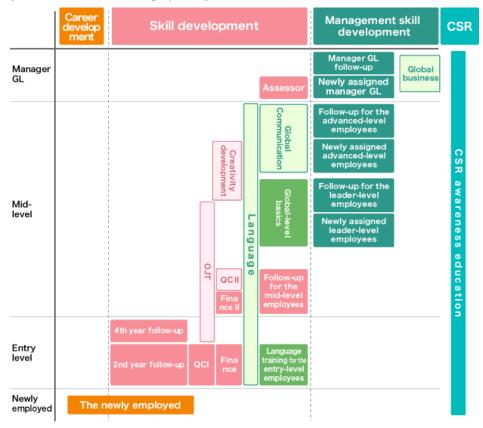
Higher employee satisfaction (ES)

Personnel development

Initiatives for respect for employees

Business environments are drastically changing these days. Under such conditions, each employee is required to make decisions and take actions. Therefore, we now carry out detailed research and specify what skills are needed in each position level for an even more enhanced education system that allows the employees to learn necessary skills at the necessary timing.

[Isuzu education/training system]



#### Various seminar achievements in Japan

Different positions and jobs may require different qualifications. Isuzu offers various training programs so that employees can acquire the necessary knowledge and insight to be able to function and improve their skills. Moreover, the company motivates each employee to build his/her own careers path and encourages managers to practice management based on the career paths of their members.

Aiming to back up our employees in both aspects, we have established group training programs, consultation structures and systems that encourage communication and help employees to have a greater awareness of their roles.

(Unit: employees)

Training Programs	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Position-based training	618	783	920	915	573 <sup>*1</sup>
Career design	131	137	151	167	_*1
Business skills	0	216	226	211	247
Human skills	26	103	303	313	_*1
Special training*2	85	639	62	76	156
Language training	59	153	74	95	530
Total	919	2,031	1,736	1,777	1,506

<sup>\*1</sup> In FY2014, our training programs were selected for the target trainees or postponed after the training scheme was reviewed.

#### 💢 Future Initiatives

For further enhanced training material, Isuzu researches the needs of each division, improves the current training programs, and introduces new programs.

<sup>\*2</sup> Special training: QC training, Creativity development training, Product knowledge improvement training, etc.

### CSR awareness education (Japan) (FY 2014)

Discussions are held in each work site under one theme that is selected from the CSR field.

This is aimed to raise awareness of CSR activities for all employees.

The education programs are periodically carried out for all Isuzu employees.

The date of the training conducted	Category	Theme
June 2014	Environment	Think of environmental activities to contribute to a sustainable society.
November 2014	Quality	Now and in the future, we will keep doing an excellent job for our customers!
December 2014	Compliance	Report / consultation route
March 2015	Compliance	Tax (stamp fee, etc.)

#### **X** Future Initiatives

We will diversify our training fields and themes based on the needs of society to raise the awareness of our employees based.

#### **Respect for Employees Initiative Report**



**Higher employee** satisfaction (ES)

Personnel development

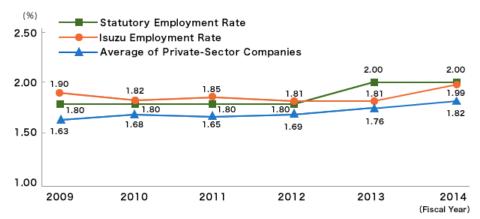
**Initiatives for respect** for employees

### Promoting Employment with the Emphasis on Diversity

#### Promoting the employment of disabled people

We are promoting the employment of people with disabilities with a view to achieving a society where people support each other, regardless of whether or not they have disabilities. We will continuously offer our support to people with disabilities.

[Changes in the employment of disabled people]



#### Promotion of parental leave

(Unit: employees)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Men	3	2	1	2	4
Women	17	21	13	14	28
Total	20	23	14	17	32

#### 💢 Future Initiatives

Our activities continuously focus on diversified employment plans and work styles.

We are promoting the employment of people with disabilities to meet the level of the statutory employment rate as well as further encouraging more people to take parental leave.

#### **Harmony with Local Communities**



Isuzu aims to be trusted as a member of local society and contribute to the development of local society.

#### **Initiative Policy for Harmony with Local Communities**

We at Isuzu and the Isuzu Group wish to be trusted by the local communities where we are located as a community member and contribute to the development of our communities. We lead our operations across the world and show our respect for cultures and customs of nations and regions through our business activities. As a good corporate citizen, we play our roles on a global basis as well.



#### **Index of Harmony with Local Communities Initiatives**

Isuzu introduces after the FY2014 initiatives.

- · Initiatives in Japan (Isuzu)
- Initiatives in Japan (Isuzu Group)
- Initiatives in Overseas (Isuzu Group)



Please see the "Stakeholder Index" to view by stakeholder.

## **Index of Harmony with Local Communities Initiatives**



Initiatives in Japan (Isuzu)

Initiatives in Japan (Isuzu Group)

Initiatives in Overseas (Isuzu Group)

#### **Isuzu Summer Festivals 2014**

August, 2014

Both Fujisawa Plant and Tochigi Plant held their summer festivals in August 2014. The festivals were intended to show appreciation to the employees and their family members for their daily efforts as well as to the local community and residents for their cooperation.



Fujisawa Plant welcomed 18,000 visitors and Tochigi Plant 5,500. The local residents also enjoyed the festivals.

## Participation in The 19th Fujisawa Environment Fair "To the Future You! Fujisawa Eco2 Fair 2014"

December, 2014

The 19th Fujisawa Environment Fair took place in Fujisawa City, Kanagawa Prefecture on December 13, 2014. Civil groups, universities, governmental bodies, corporations and a variety of other groups present their own environmental initiatives in this fair hosted by Fujisawa City, and Isuzu takes part every year.

A large number of people in the community visited on the day. Mayor Suzuki of Fujisawa City also made an appearance at the Isuzu booth.



Many people are learning about Isuzu's initiatives.

### Participation in 2014 Fujisawa Industry Festa

May, 2014

Isuzu joined the 2014 Fujisawa Industry Festa hosted by the Fujisawa Chamber of Commerce & Industry (execution committee) on both May 24 and 25, 2014. This event provides internal and external parties with an extensive introduction to Fujisawa City's industrial and commercial products and demonstrates the industrial power of the city through interaction and exchange with the citizens. It has been held since 2000 and this year, it welcomed 58,000 visitors.



## Cosponsored Kanagawa Phil. Orchestra Factory at Neighborhood Elementary Schools

February, 2015

On February 2015, Isuzu helped to jointly organize the Kanagawa Phil. Orchestra Factory, where children enjoyed live music performances and played musical instruments along with the professional orchestra Kanagawa Philharmonic Orchestra (hereinafter, "Kanagawa Phil."). This took place at Goshomi Elementary School and Akibadai Elementary School, both of which are located in Fujisawa, Kanagawa Prefecture.



# Participation in Shonan Beach Gomizero (Zero Trash) Cleanup Campaign

May, 2014

The Shonan Beach Gomizero (Zero Trash) Cleanup Campaign is hosted by Fujisawa City and the Kanagawa Coastal Environmental Foundation. Isuzu Fujisawa Plant has been participating this campaign since 2009.

The cleanup is organized to protect beaches along the coastline of Enoshima, Katase, Kugenuma, and Tsujido and maintain them as places that everyone in the community can enjoy.



## Plant tours for neighborhood elementary schools and residential association members

The tours are offered and large numbers of people are invited in the hope that they can learn about different operation processes of the production sites up to the truck completion as well as the plant's environmental activities.

#### [FY2014 Achievements]

Elementary schools from Fujisawa City, Ayase City and other cities.	Approximately 3,200 students from 39 schools
Residential associations	Approximately 100 members from 6 residential associations
Chamber of Living Environments	Approximately 20 members from Kugenuma, Fujisawa City



### Cleanup activities near Isuzu plants

Employees of the plant and other related on-site companies implement cleanup activities around the plants and in the surrounding neighborhoods.

#### [FY2014 Achievements]

Fujisawa Plant	1,520 participants
Tochigi Plant	120 participants



#### Gifts of Christmas cakes to institutions for children

Isuzu donates Christmas cakes to welfare facilities and nurseries every year.

#### [FY2014 Achievements]

Headquarters	Offered 550 cakes to 80 nurseries and welfare facilities in Shinagawa Ward		
Fujisawa Plant	Offered 600 cakes to 131 welfare facilities in Fujisawa City		
Tochigi Plant	Offered 345 cakes to 26 public kindergartens and nurseries in Tochigi City		



Thank you message from the institutions

### Cooperation in anti-crime activities

Isuzu headquarters participates in the Blue Light Security Patrol to contribute to building a safe neighborhood as a member of the Oi Security Association (Shinagawa Ward, Tokyo). Members of the General Affairs & HR Departments have attended the patrol around the headquarters once a month since 2006.

Based on the principle of protecting our community on our own, this activity is carried out by volunteers. The local neighborhood association and member corporations share the tasks of conducting the patrol mainly around parks, schools, and back streets in residential areas, and play a part in reducing crime.



#### **Isuzu Summer Festivals 2014**



August, 2014

Both Fujisawa Plant and Tochigi Plant held their summer festivals in August 2014. The festivals were intended to show appreciation to the employees and their family members for their daily efforts as well as to the local community and residents for their cooperation.

Fujisawa Plant welcomed 18,000 visitors and Tochigi Plant 5,500. The local residents also enjoyed the festivals.



### **Fujisawa Plant**

Not only were visitors entertained by a parade from the local community's Shonandai High School brass band, but the appearance of a DeuSEL bus was also a highlight of the summer festival, and big fun continued through the closing fireworks.



Employees, their family members, and local residents came to see the festival.

### **Tochigi Plant**

Tochigi Plant held the festival under the theme "Love for Family, Love for Community," following the previous year.

This year's new exhibition, projection mapping, to express our appreciation for the local people, our employees, and their family members. It was unveiled on a heavyduty Isuzu GIGA truck , and it was very well received.



Projection mapping on a heavy-duty GIGA truck

#### X

#### **Future Initiatives**

The Summer Festivals will be further able to offer lots of fun to the employees and local people through new different ideas.

#### Participation in The 19th Fujisawa Environment Fair "To the Future You! Fujisawa Eco2 Fair 2014"



December, 2014

The 19th Fujisawa Environment Fair took place in Fujisawa City, Kanagawa Prefecture on December 13, 2014. Civil groups, universities, governmental bodies, corporations and a variety of other groups present their own environmental initiatives in this fair hosted by Fujisawa City, and Isuzu takes part every year.

A large number of people in the community visited on the day. Mayor Suzuki of Fujisawa City also made an appearance at the Isuzu booth.



Many people are learning about Isuzu's initiatives.

#### About the exhibition

Indoors, Isuzu introduced "the environmental initiatives of Isuzu plants" using a poster.

Participants who took part in a quiz session about the isuzu's initiatives joined an eco bag making activity. In this activity, they used Isuzu character stamps on their bags.



Visitors are engrossed in the Isuzu eco bag making.

As outdoor events, one booth was set up to present a DeuSEL bus that uses DeuSEL®, the next-generation bio-diesel fuel. Children were allowed to take photos in the driver's seat.



The popular DeuSEL bus

#### 🟋 Future Initiatives

Isuzu will continue to introduce its environmental initiatives on various occasions to provide better understanding to many more people.

#### Participation in 2014 Fujisawa Industry Festa



May, 2014

Isuzu joined the 2014 Fujisawa Industry Festa hosted by the Fujisawa Chamber of Commerce & Industry (execution committee) on both May 24 and 25, 2014. This event provides internal and external parties with an extensive introduction to Fujisawa City's industrial and commercial products and demonstrates the industrial power of the city through interaction and exchange with the citizens. It has been held since 2000 and this year, it welcomed 58,000 visitors.



## About

#### About the exhibition

Isuzu exhibited an ELF CNG vehicle, which is powered by compressed natural gas. This showcase is helpful in introducing its corporate initiatives on global warming prevention (CO<sub>2</sub> reduction) to people in the community.

Isuzu is the only domestic truck manufacturer that products and sells CNG trucks and buses in Japan, and sales of ELF have exceeded 14,000 units in total. In the exhibition corner for an ELF, many children and their parents visited. It was as an opportunity for them to learn about the features of the cleanest CNG vehicle even among other low emission vehicles.



An interested visitor touching the CNG tank



Children enjoying being drivers

#### Y

#### **Future Initiatives**

Isuzu will continue to introduce its environmental initiatives on various occasions to provide better understanding to many more people.

## Cosponsored Kanagawa Phil. Orchestra Factory at Neighborhood Elementary Schools



February, 2015

On February 2015, Isuzu helped to jointly organize the Kanagawa Phil. Orchestra Factory, where children enjoyed live music performances and played musical instruments along with the professional orchestra Kanagawa Philharmonic Orchestra (hereinafter, "Kanagawa Phil."). This took place at Goshomi Elementary School and Akibadai Elementary School, both of which are located in Fujisawa, Kanagawa Prefecture.



#### Purpose of the activity

Children are encouraged to enrich their creativity and sensitivity through artistic experiences. In an orchestra, just as in monozukuri, many people come together to create and refine something. This experience-based program is called the Orchestra Factory.

#### About the program

In addition to live performances of classical masterpieces by the orchestra, the schoolchildren were able to have various musical experiences.

- 1. Children split up into groups of underclassmen and upperclassmen and accompanied the orchestra on castanets, recorders, and other music instruments.
- 2. The children sang their original songs in a chorus alongside the orchestra's performance.
- 3. As an encore, the orchestra performed the school songs for all to sing in chorus. (The orchestra's performances of the children's original songs and school songs were recorded at the orchestra and gifted to the schools.)



#### I

#### **Future Initiatives**

The Kanagawa Philharmonic Orchestra stresses its principle mission of creating a music culture that is closely linked to the community, and Isuzu has been a supporter of their activities since 2013. Its aim is to help the next generation of local children to explore their future dreams and potential through their activities.

# Participation in Shonan Beach Gomizero (Zero Trash) Cleanup Campaign



May, 2014

The Shonan Beach Gomizero (Zero Trash) Cleanup Campaign is hosted by Fujisawa City and the Kanagawa Coastal Environmental Foundation. Isuzu Fujisawa Plant has been participating this campaign since 2009.

The cleanup is organized to protect beaches along the coastline of Enoshima, Katase, Kugenuma, and Tsujido and maintain them as places that everyone in the community can enjoy.



#### Approximately 200 volunteers participated.

In May 2014, approximately 200 people participated, including employees of Fujisawa Plant and other related companies and their family members.

A grand total of 6,300 people participated, and a total of 2.9 tons of trash was removed.





#### **Future Initiatives**

In some of the regions which were cleaned up, it was necessary to pick up much of the trash by hand. Isuzu wishes to further expand its volunteer forces and raise awareness to keep the local Shonan Beach beautiful and free of trash.

## Index of Harmony with Local Communities Initiatives



- Initiatives in Japan (Isuzu)
- Initiatives in Japan (Isuzu Group)
- Initiatives in Overseas (Isuzu Group)

# Donation to Tomakomai City in commemoration of the 30th anniversary of the company's foundation (Isuzu Engine Manufacturing Hokkaido Corporation)

June, 2014

In 2014, Isuzu Engine Manufacturing Hokkaido Corporation (Tomakomai City, Hokkaido) marked the 30th anniversary of its foundation. To celebrate this milestone, the company made a donation to Tomakomai City and its people, expressing their appreciation for the support and cooperation that the company has received.



Rewarded with a certificate of appreciation from the mayor of Tomakomai City

### Donation of Truck Engines to Local Training Schools for Auto Mechanics (Isuzu East Hokkaido Co., Ltd)

June, 2014

In June 2014, Isuzu East Hokkaido (Obihiro City, Hokkaido) celebrated its 60th anniversary and, as a commemorative project, donated one truck engine and a series of special tools for engine assembly/disassembly works. This donation was made to the Hokkaido Prefectural Technical Training Schools, local vocational schools in Obihiro, Kitami, and Kushiro.



# Office Greening and Cleanup Activity in Neighborhood Streets (Tochigi Isuzu Motors Limited.)

Tochigi Isuzu Motors (Utsunomiya City, Tochigi) wants to preserve the environment. As a preservation initiative, the company promotes greening in the headquarters site and all offices in Tochigi. Also, the headquarters building was constructed to be visually harmonious with the scenery of the community, and the employees are conducting street cleaning around the company.



The headquarters building received the 2006 Machinami Scenery Award.

# The Electric Bus Development Consortium of Akita receives the EST Honorable Mention Award. (Akita Isuzu Motors Limited)

February, 2015

Akita Isuzu Motors (Akita City, Akita), the representative of the Electric Bus Development Consortium of Akita, received the honorable mention award in the 6th EST Transportation Environmental Awards for their environment protection activities.



In Akita City runs the Elemo-Akita, an original bus based on the Isuzu  ${\sf ERGA\ Mio.}$ 

#### **Donation to Tomakomai City in commemoration** of the 30th anniversary of the company's foundation (Isuzu Engine Manufacturing Hokkaido **Corporation**)



June, 2014

In 2014, Isuzu Engine Manufacturing Hokkaido Corporation (Tomakomai City, Hokkaido) marked the 30th anniversary of its foundation. To celebrate this milestone, the company made a donation to Tomakomai City and its people, expressing their appreciation for the support and cooperation that the company has received.



Rewarded with a certificate of appreciation from the mayor of Tomakomai City

#### For sports promotion in Tomakomai City

The donation contributed to the construction cost of building the New Tokiwa Skate Center, which was completed in October 2014.

This New Tokiwa Skate Center is a year-round rink that is built to international standards, and is intended to promote sports activities in Tomakomai City by providing an indoor rink to meet demand for a place to skate.

#### 💢 Future Initiatives

Isuzu Engine Manufacturing Hokkaido is engaged in cooperation toward community development in a variety of ways.

### **Donation of Truck Engines to Local Training Schools for Auto Mechanics** (Isuzu East Hokkaido Co., Ltd)



June, 2014

In June 2014, Isuzu East Hokkaido (Obihiro City, Hokkaido) celebrated its 60th anniversary and, as a commemorative project, donated one truck engine and a series of special tools for engine assembly/disassembly works. This donation was made to the Hokkaido Prefectural Technical Training Schools, local vocational schools in Obihiro, Kitami, and Kushiro.



#### For learning further advanced technologies and skills

These training schools have sent out many mechanics who contribute to the growth of the community. It's expected that students will learn advanced technologies and skills using the donated truck engines.



#### 🟋 Future Initiatives

Isuzu East Hokkaido is engaged in cooperation toward community development in a variety of ways.

# Office Greening and Cleanup Activity in Neighborhood Streets (Tochigi Isuzu Motors Limited.)



Tochigi Isuzu Motors (Utsunomiya City, Tochigi) wants to preserve the environment. As a preservation initiative, the company promotes greening in the headquarters site and all offices in Tochigi. Also, the headquarters building was constructed to be visually harmonious with the scenery of the community, and the employees are conducting street cleaning around the company.

### Activities

#### ■ The headquarters building is visually harmonious with the community scenery.

The appearance of the headquarters building was designed to be harmonious with the scenery of the community.



The headquarters building received the 2006 Machinami Scenery Award.

#### Promoting greening in the headquarters and all offices in Tochigi

Promoting greening in the site and those are open to the community.



The green fields on the site are open to the community as an oasis.

#### Neighborhood street cleaning

The company has been conducting year-round cleanup activities on neighboring roads and has been recognized with appreciative words from people in the community.

During the season of strong northern winds, all employees come out every morning to clean fallen leaves so that they don't ruin the local scenery.



Cleanup activities on neighboring roads

#### X

#### **Future Initiatives**

Tochigi Isuzu Motors will continue to conduct various initiatives to preserve the environment.

# The Electric Bus Development Consortium of Akita receives the EST Honorable Mention Award. (Akita Isuzu Motors Limited)



February, 2015

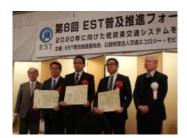
Akita Isuzu Motors (Akita City, Akita), the representative of the Electric Bus Development Consortium of Akita, received the honorable mention award in the 6th EST Transportation Environmental Awards for their environment protection activities.



In Akita City runs the Elemo-Akita, an original bus based on the Isuzu ERGA Mio.

### What is the EST Transportation Environmental Award?

This award honors outstanding regional efforts to deal with issues related to transportation and the environment. The Committee to Spread and Implement EST, which aims to promote the spread of Environmentally Sustainable Transport (EST), carefully makes the selection to honor efforts.



The awards ceremony took place on February 26, 2015.

### About the Electric Bus Development Consortium of Akita activity

The Electric Bus Development Consortium of Akita is an association of 12 enterprises in Akita Prefecture.

Through coordination between the public and private sectors and related organizations at the national and prefectural level from the development and modification of the EV bus based on the Isuzu ERGA Mio to sales and operations, the association has built a new public transportation system that uses electric buses.

The award recognized their excellent project approaches, such as a test drive session in an effort to encourage the popularization and understanding of the EV bus among people in the city, as well as their environmental actions and major contributions to stimulating the local industry.

## **Index of Harmony with Local Communities Initiatives**



- Initiatives in Japan (Isuzu)
- Initiatives in Japan (Isuzu Group)
- Initiatives in Overseas (Isuzu Group)

### **Donation of Rescue Vehicles to Local State Government (India)**

November, 2014

In November 2014, Isuzu Motors India Private Limited donated five pickup trucks to the local government of the Andhra Pradesh state to be used as rescue vehicles.



## **Bus Donation to Local Social Welfare Organization (Mexico)**

November, 2014

In November 2014, Isuzu Motors Mexico S. de R.L. donated the second ELF, a lift-equipped welfare bus, to the welfare group Teleton, following the first donation on August 2013.



# Donation of Rescue Vehicles to Local State Government (India)



November, 2014

In November 2014, Isuzu Motors India Private Limited (hereafter, "IMI") donated five pickup trucks to the local government of the Andhra Pradesh state to be used as rescue vehicles.



#### D-MAXs donation in the hope of contributing to disaster stricken areas

The Andhra Pradesh state, where IMI is located, is part of the east India region and is frequently hit by cyclones. After the October 2014 cyclone Hudhud, the region was devastated and left with considerable damage.

IMI was determined to support local communities by donating rough-road powerful D-MAXs to the state government, which is engaged in relief in the devastated areas.



#### X

#### **Future Initiatives**

IMI wishes to further develop and reinforce trust and to build stronger relationships with local communities.

# **Bus Donation to Local Social Welfare Organization (Mexico)**



November, 2014

In November 2014, Isuzu Motors Mexico S. de R.L. donated the second ELF, a lift-equipped welfare bus, to the welfare group Teleton, following the first donation on August 2013.



#### For transporting children

The bus is used to take children to and from child rehabilitation centers in Teleton. Since the previous year's donation of a lift-equipped bus was highly appreciated, we offered to donate additional units to help some of the institutions in Teleton where transportation can be inconvenient.



#### X

#### **Future Initiatives**

Our business activities will continue so that we can express our appreciation to the local community.

#### **Information Disclosure**



Isuzu discloses corporate information in a timely and appropriate manner for higher corporate transparency, and aiming to broadly win the trust of society.

Also, we are making efforts to share information and concerns by building schemes that encourage smooth communication within the company, among the group companies, and with society as well.

#### **Communication and Disclosure of Corporate Information**

Isuzu uses its websites to provide information relevant to our stakeholders and to develop communication with all of them.

Category	Websites
About our products	> Product Lineup
Distributors Network	> Distributors Network
About Isuzu Motors Limited	> Corporate Profile
I.R. Information	> Investor Relations
CSR activities	> CSR

Please see the "Stakeholder Index" to view by stakeholder.

#### **Compliance Initiatives**



Isuzu dose not leave any questions unanswered and welcomes an open exchange of opinions.

#### Initiative policy and promotion system for Compliance

To have the Isuzu corporate value recognized in the society and continuously accomplish its corporate vision, it is indispensable that all directors and employees individually take actions according to Isuzu's compliance standards; i.e., not only to comply with laws and regulations but also to possess a high code of ethics and be trusted by society.

President Reporting Askory

CSR Promotion Dept Amagement Group

Division CSR Promotion Committee

Secretariat

Helpline
forly in Japan

Group

Companies

Department Manager

Employees

- · Compliance initiative policy
- · Compliance promotion system

#### **Compliance Initiative Report**

Isuzu introduces after the FY2014 initiatives.

- · Activities for the Isuzu Group's common issues
- Compliance education



Please see the "Stakeholder Index" to view by stakeholder.

# Initiative policy and promotion system for Compliance



#### Compliance initiative policy

Compliance promotion system

Isuzu puts forth the corporate vision "Isuzu will always mean the best.

To have the Isuzu corporate value recognized in the society and continuously accomplish its corporate vision, it is indispensable that all directors and employees individually take actions according to Isuzu's compliance standards; i.e., not only to comply with laws and regulations but also to possess a high code of ethics and be trusted by society. Isuzu places the highest priority on implementing such compliance standards. Isuzu has developed the "Basic Policy for Compliance" as the summary and intends to have all executive members and employees knowledgeable and informed of the policy.

### **Basic Policy for Compliance**

#### 1. Winning trust from our customers

Isuzu aims to win trust from our customers by providing meaningful products and services to society, and thus contribute to the creation of a prosperous society.

#### 2. Promoting fair and reasonable business

Isuzu business is based on transactions under fair and free competition.

Isuzu also keeps a sound and proper relationships with the government and politicians, and as a corporate citizenship, acts strongly against anti-social forces and organizations.

#### 3. Ensuring appropriate disclosure of corporate information

Isuzu broadly communicates with our stakeholders in society not limited to shareholders, and ensure timely, appropriate and fair disclosure of our corporate information.

#### 4. Showing respect for Employees

Isuzu creates a safe and comfortable work environment respecting each employee's personality and character so that everyone can fully demonstrate their capabilities.

#### 5. Making contribution to preserving our environment

Isuzu actively works on environment protection not only through our business activities but also as a corporate citizen of the Earth by involving ourselves with social and regional environmental conservation activities.

#### 6. Contributing to society

Isuzu proactively undertakes social contribution activities as a good corporate citizen.

#### 7. Ensuring harmony with international and regional communities

We respect the cultures and customs of the nations and regions. Involved, and contribute to their development through our business activities.

# Initiative policy and promotion system for Compliance



Compliance initiative policy

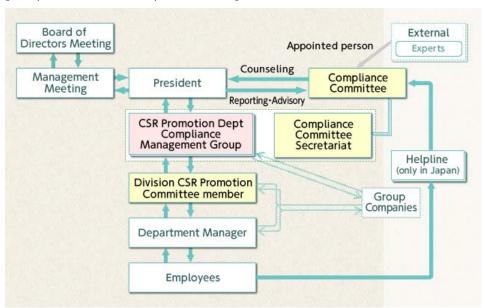
Compliance promotion system

## **Compliance promotion system (Isuzu internal)**

The system has been well established to implement specific activities and has set internal and external (helpline) routes to collect suggestions regarding Isuzu compliance.

Moreover, the Compliance Committee was launched as the President's advisory group to seek objective advice, audits, and evaluations about promoting compliance.

#### [Compliance Promotion System Outline]

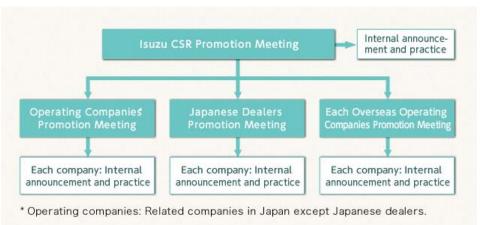


#### Compliance promotion system (Isuzu group)

Isuzu introduced the "Group Company Management Rules" with the purpose of managing the Isuzu Group companies through integrated standards so that the management level can be improved and compliance risks can be prevented within the group.

Compliance promotion meetings are regularly held for the group companies that are classified by business activity, aiming to help implement activities and achieve common group targets. Through activities at the meetings, the group companies enhance their attention to compliance while exchanging information on compliance risks and responses so that risks can be prevented.





#### **Compliance Initiative Report**



#### Activities for the Isuzu Group's common issues in Japan

In order to stimulate group compliance activities, the group companies are given general issues for the group so that the entire group makes integrated efforts to solve them.

#### FY2014 General Issues

- · Thorough compliance of the Subcontract Act
- Thorough compliance of act on special measures concerning prevention and correction of actions that interfere with shifting of the consumption tax with the aim of ensuring smooth and appropriate passing-on of the consumption tax
- · Drink driving eradication campaign

#### **Compliance education in Japan**

Through e-learning programs and lectures, Isuzu educates its new employees and newly assigned managers about compliance basics and laws and regulations, including the Subcontracting Law or the Financial Instruments and Exchange Law (insider trading), etc., in the aim of fostering their awareness of compliance.

This also applies to group companies. Throughout the entire group, a manager training and training programs on various laws and regulations are provided to spread common awareness toward compliance in their actions.

#### Major education programs in FY2014

- $\boldsymbol{\cdot}$  Basic compliance education for new employees
- · Compliance education for managers
- · Education about the Subcontract Act
- Education about the act on special measures concerning prevention and correction of actions that interfere with shifting of the consumption tax with the aim of ensuring smooth and appropriate passing-on of the consumption tax
- · Education about the authorized exporter declaration procedure
- Education about the Waste Management and Public Cleansing Law
- · Education about the Fire Service Act
- · Education about the Water Pollution Control Law
- Education about harassment
- · Drunk driving eradication campaign DVD screening

#### **Corporate Governance**

#### **Basic Approach to Corporate Governance**

The Company believes that the establishment of corporate governance structures that provide a framework for discipline is indispensable to its ability to generate consistent profits and enhance corporate value through its business activities.

Recognizing that the primary purpose of corporate governance is to respect the positions of stakeholders and build smooth relationships, the Company endeavors to ensure fairness and transparency in its corporate affairs through the timely and appropriate disclosure of important information. In particular, the Company understands that implementing internal controls and maintaining an environment that protects the rights and interests of shareholders, while assuring equality among them, is an important element of corporate governance.

#### **Corporate Governance System**

The Company has established a Board of Directors and an Audit Committee as internal bodies to oversee and audit important management decisions.

To speed up managerial decision-making and business operations, Isuzu has set up a Management Meeting that meets every other week as a rule to examine and make decisions on critical management concerns, in accordance with resolutions of the Board of Directors.

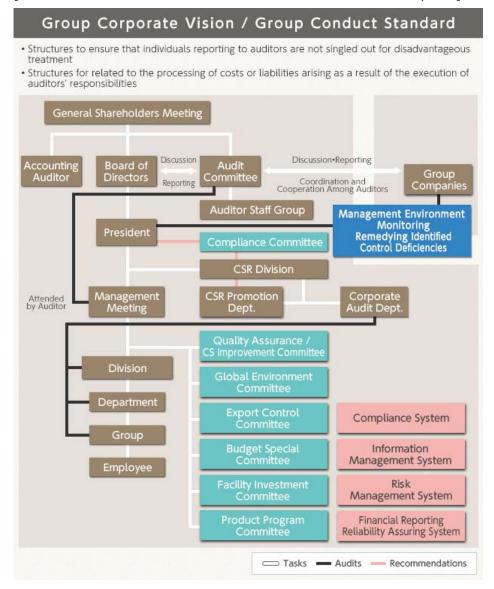
Furthermore, the Company has created various committees that report to the Management Meeting in order to streamline discussion of issues in various specialized areas. In addition, we have introduced an executive officer system for properly supporting our directors' business operations.

In addition to attending Board of Directors meetings and other important meetings, auditors solicit reports from directors and other leaders concerning the execution of their responsibilities, review important decision-making documents and other materials, investigate operational and financial conditions at Oomori headquarters and major worksites, request reports from subsidiaries as needed, and audit Company operations.

We have also appointed one outside Director of the Board (non-standing) and three Corporate Auditors (of whom one is a standing auditor).

There is no interest in Isuzu which should be disclosed in terms of organizational/human relations or transactions with these outside members. While some of the board members own shares of company stock, there is no interest in Isuzu which should be disclosed in terms of capital relations.

[Overview of Internal Structures Related to Isuzu's Internal Control System]



#### **Outside Members**

We have also appointed one outside Director of the Board (non-standing) and three outside Corporate Auditors (of whom one is a standing auditor).

There is no interest in Isuzu which should be disclosed in terms of organizational/human relations or transactions with these outside members. While some of the board members own shares of company stock, there is no interest in Isuzu which should be disclosed in terms of capital relations.

### **Remuneration for Directors and Corporate Auditors**

The remuneration of Isuzu Directors is determined within the range approved by the shareholders' meeting according to decisions made by Board of Directors Meeting, including remuneration levels of other companies and Isuzu's achievements. The amounts of the remuneration of respective Directors are reflected by the positions and achievements of Isuzu and the individuals.

Moreover, the remuneration of the Corporate Auditors is determined within the range approved by the shareholders' meeting according to decisions made by auditors' meetings, including remuneration levels of other companies and Isuzu's achievements.

#### **Supply Chain Management**

#### **Purchasing Basic Vision**

Isuzu ensures satisfactory quality, delivery and quantity of purchased parts so that smooth production is achieved through our purchasing activity. We also help to provide a new technology through our purchasing activity in the market to contribute to profitability of the company.

#### **Purchasing Basic Policy**

- 1. With having the "quality" as the first priority, Isuzu seeks to create and offer products that would satisfy our customers.
- 2. Isuzu aims to procure domestic or overseas parts, under fair competition, if the parts are satisfactory in terms of quality, pricing and delivery.
- 3. Isuzu enhances corporate competitiveness while developing procurement scheme aiming to form win-win relationships with our business partners.

#### **Purchasing Slogan**

OPEN (Optimum Procurement to Embody the Needs). Isuzu aims to meet market needs and establish the optimum procurement route, while promoting reform of procurement.



\* This is our purchasing slogan aiming to embody the image of reform and disseminate it inside and outside the company. Encourage change in purchasing activity to meet market needs and establish optimum procurement route.

Also, "OPEN" includes the meaning of "Openness in Procurement"

#### **ISUZU Supplier CSR Guideline**

"ISUZU Supplier CSR Guideline" (English), a summary of CSR requests to our business partners as well as Isuzu CSR activities, Corporate Vision, and Procurement Basic Vision, is now available. (October 2014)



This guideline was developed based on Supplier CSR Guideline issued by the Japan Automobile Manufacturers Association, Inc. and CSR Guidebook by the Japan Auto Parts Industries Association.

#### **Isuzu Green Procurement Guidelines**

"Isuzu Green Procurement Guidelines" (Japanese), a summary of environmental requests to our business partners as classified by business activity as well as introduction of the Isuzu Charter on the Global Environment, is now available. (Last revised: October 2012)



Our business partners are expected to lead environmental initiatives along with the Isuzu Green Procurement Guidelines based on an understanding of the purposes.

#### Third-Party Opinion for Isuzu CSR Report 2015



United Nations Development Programme (UNDP) Representation Office in Tokyo, Public Affairs Specialist

#### Toshiya Nishigori

Isuzu corporate vision is "Isuzu will always mean the best. A leader in transportation, commercial vehicles, and diesel engines, supporting our customers and respecting the environment." The aim of achieving this vision guides Isuzu in their CSR activities in seven fields. Isuzu has launched CSR activities with focus on compliance, environment and quality that are directly connected to business, but Isuzu has expanded its activities to address social issues through their CSR under the current Medium Term Business Plan, whose main objective is to build the foundation toward the next generation,. This is to respond to global call for corporations to contribute proactively to social development and highly-regarded globally.

In this report, which summarizes Isuzu FY2014 CSR activities, they have already introduced some of new CSR initiatives to address social issues in several fields and I well-recognize their noteworthy results.

One example is activities to promote harmony with local communities. As an automotive manufacturer which relies on a variety of social infrastructures and human capital, it is essential to work toward solving social issues from the perspective of local communities surrounding the business in order to achieve sustainable development. The case of Indonesia brought up in this issue of Focus embodies this point, as a local assembly/sales company that became independent and whose far-reaching CSR activities to meet the local community's needs for education, health, the environment, and income generation have received positive recognition. Activities like these are also taking place domestically in Japan as well as in India and Mexico, and I hope that they will continue to develop as a pillar of Isuzu CSR activities.

It is also important to meet global needs in the field of social contribution by taking initiative toward social issues while utilizing Isuzu business resources. For example, this report has introduced some of their initiatives to combat climate change, such as the next-generation biodiesel fuel actualization project or their efforts to protect vehicles during floods. Further, educational support activities, such as the training schools for auto mechanics that Isuzu is running in the Philippines, also contribute to poverty reduction by creating employment opportunities. I hope that these human resource development initiatives will lend forward momentum to their aim of building a foundation for the next generation.

Harmony with local communities, social contributions, and other such activities contribute not only to the direct beneficiaries but also to business development by creating an environment which supports inseparable businesses of craftsmanship and operational support as well as market proximity, toward which Isuzu is working. By creating opportunities for each individual employee to be active in society through CSR activities, I hope to encourage respect for employees, which is one of the elements of the CSR promotion field, and have a positive influence on the company as a whole. In order to achieve the medium- and long-term merits of such a strategy, it is important that Isuzu continuously develop the CSR activities outlined above so that they take root.

For the future, I am contemplating three points in order to make future CSR activities even more effective and meaningful.

The first of these is deepening and expanding partnerships with multi-stakeholders. For effective CSR activities in any country or field, the key is to leverage the knowledge and network of a partner who is well-versed in various issues. Isuzu has worked to build trusting relationships with their stakeholders until now, and in the future they plan to develop them even further in the aim of cooperation and coordination to solve social issues. It is also important for Isuzu to engage in activities and build a framework that will allow them to strategically search for new partners. If they are able to make good use of the skills of a wide range of partners, I hope that this will help more people to benefit from the results of their CSR activities.

The second issue is developing their CSR activities in consideration of global development agenda. Year 2015 is very important for international development since the world leaders will adopt the Sustainable Development Goals (SDGs) at the United Nations General Assembly and agree on a new climate change package. With a comprehensive understanding of common global goals and by dynamically performing the activities to achieve them, Isuzu will not only be able to cement international reputation as a responsible corporation, but also promote communication with the UN and other global stakeholders.

The third is promotion of open CSR in practice. From now on, it is important to tackle a wider variety of issues by offering "Isuzu unique solutions" for CSR activities, while broadly sharing the knowledge and lessons they gain therefrom and publicizing them to society. I hope that doing so will strengthen cohesive powder of their stakeholders inside and outside of the company and raise Isuzu's global presence to the next level.

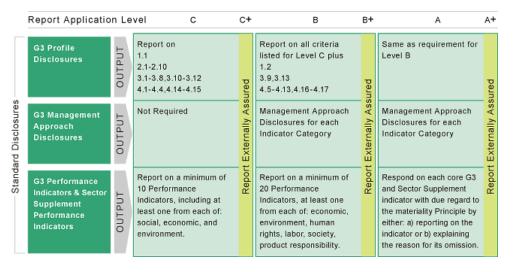
In the future, Isuzu can continue to gain the trust of their stakeholders and uphold and develop their corporate vision, if Isuzu can provide new added values for not only business but also environments surrounding their customers and employees through CSR activities. Sustainable growth of business can be achieved by building a relationship where social prosperity leads to Isuzu's prosperity and Isuzu contributes in turn to the prosperity of society. CSR has a large role to play in this process. I hope Isuzu's CSR activities will be strengthened even further in the future.

\*The interview was conducted in Japanese and translated into English by Isuzu.

#### **GRI Guidelines Index**

This Report was made in compliance with GRI Guideline (GRI Sustainability Reporting Guideline) 2006 (G3.1). GRI Guideline is a unified international guideline formulated by GRI (Global Reporting Initiative), an international NPO, in an attempt to improve quality, reliability and comparability of contents of CSR reports (sustainability reports). In this Index, matters corresponding to indices of "GRI Guideline 2006 (G3.1)" are disclosed with judgment of Isuzu Motors Limited.

This Report falls under the category of application level C as defined in the GRI Sustainability Reporting Guideline 2006 (G3.1).



Ite	ms	Indicator	Pages in relevant Isuzu Websites	
1. Strate	1. Strategy and Analysis			
1.1		Statement from the most senior decision- maker of the organization.	> Top management message	
1.2		Description of key impacts, risks, and opportunities.	> Top management message	
2. Organi	zational Prof	file		
2.1		Name of the organization.	<ul><li>Corporate Profile</li><li>Corporate Data</li></ul>	
2.2		Primary brands, products, and/or services.	<ul> <li>Corporate Profile</li> <li>Corporate Data</li> <li>Product Lineup</li> <li>Distributors Network Guidance</li> <li>Global Business - Products -</li> </ul>	
2.3		Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	<ul><li>Corporate Profile</li><li>Corporate Data</li></ul>	
2.4		Location of organization's headquarters.	<ul><li>Corporate Profile</li><li>Corporate Data</li></ul>	

2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	> Global Business - Overseas Subsidiaries Offices -
2.6	Nature of ownership and legal form.	<ul><li>Corporate Profile</li><li>Corporate Data</li></ul>
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	<ul> <li>Global Business - Overseas Subsidiaries</li> <li>Offices -</li> <li>Global Business - Results -</li> </ul>
2.8	Scale of the reporting organization, including: Number of employees; Net sales (for private sector organizations) or net revenues (for public sector organizations); Total capitalization broken down in terms of debt and equity (for private sector organizations); and Quantity of products or services provided.	<ul> <li>Corporate Profile</li> <li>Corporate Data</li> <li>Consolidated Financial Highlights</li> <li>Summary of Consolidated Financial Data</li> <li>Summary of Non-Consolidated Financial Data</li> <li>Consolidated Sales Results</li> </ul>
2.9	Significant changes during the reporting period regarding size, structure, or ownership including:  The location of, or changes in operations, including facility openings, closings, and expansions; and  Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	> Editorial Policy
2.10	Awards received in the reporting period.	
3. Report Parar	neters	
Report Profile		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	> Editorial Policy
3.2	Date of most recent previous report (if any).	> Editorial Policy
3.3	Reporting cycle (annual, biennial, etc.)	> Editorial Policy
3.4	Contact point for questions regarding the report or its contents.	> Editorial Policy
Report Scope a	nd Boundary	1

3.5	Process for defining report content, including: Determining materiality; Prioritizing topics within the report; and Identifying stakeholders the organization expects to use the report.	<ul><li>Editorial Policy</li><li>Isuzu's CSR Activities</li></ul>
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	> Editorial Policy
3.7	State any specific limitations on the scope or boundary of the report.	> Editorial Policy
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	> Editorial Policy
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	> Environmental Impact Data
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	-
GRI Content Index	ζ	
3.12	Table identifying the location of the Standard Disclosures in the report.	> GRI Guidelines Index
Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report.  If not included in the assurance report accompanying the sustainability report,	_

explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	
ommitments, and Engagement	
Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	> Corporate Governance
Indicate whether the Chair of the highest governance body is also an executive officer.	> Corporate Governance
For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	-
Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	> Compliance Promotion System
Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	-
Processes in place for the highest governance body to ensure conflicts of interest are avoided.	> Corporate Governance
Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	> Corporate Governance
Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	<ul> <li>Corporate Vision/Corporate Mission</li> <li>Basic Policy for Compliance</li> <li>Isuzu Charter on the Global Environment</li> <li>Basic Policy for Quality Initiatives</li> <li>Purchasing Basic Policy</li> </ul>
	external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).  Commitments, and Engagement  Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.  Indicate whether the Chair of the highest governance body is also an executive officer.  For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.  Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.  Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).  Processes in place for the highest governance body to ensure conflicts of interest are avoided.  Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.  Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance

4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. Include frequency with which the highest governance body assesses sustainability performance.	<ul> <li>Compliance Promotion System</li> <li>Environmental Management</li> <li>Corporate Governance</li> </ul>
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	-
Commitments to	External Initiatives	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	<ul> <li>Compliance Promotion System</li> <li>Basic Policy for Quality Initiatives</li> <li>Environmental Management</li> <li>Environmental Initiatives</li> <li>Environment Impact Data</li> </ul>
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	-
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	_
Stakeholder Eng	agement	
4.14	List of stakeholder groups engaged by the organization.	> Isuzu's CSR Activities
4.15	Basis for identification and selection of stakeholders with whom to engage.	> Isuzu's CSR Activities
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<ul><li>Social Contribution Initiative</li><li>Harmony with Local Communities</li></ul>
4.17	Key topics and concerns that have been raised through stakeholder engagement,	<ul><li>Social Contribution Initiative</li><li>Harmony with Local Communities</li></ul>

		and how the organization has responded to those key topics and concerns, including through its reporting.	
5. Mana	agement Appi	roach And Performance Indicators	
Econom	nic		
Manage	ement Approa	nch	<ul> <li>&gt; Isuzu's CSR Activities</li> <li>&gt; Basic Policy for Compliance</li> <li>&gt; Corporate Governance</li> <li>&gt; Financial Reports</li> <li>&gt; Mid-term Business Plan</li> </ul>
Econom	nic Performan	ce	
EC1	Core	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	-
EC2	Core	Financial implications and other risks and opportunities for the organization's activities due to climate change.	> Environment Impact Data
EC3	Core	Coverage of the organization's defined benefit plan obligations.	> Annual Report 2014
EC4	Core	Significant financial assistance received from government.	-
Market	presence		
EC5	Add	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	-
EC6	Core	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	> Supply Chain Management
EC7	Core	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	-
Indirect	t economic im	npacts	
EC8	Core	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono	<ul><li>Social Contribution Initiative</li><li>Harmony with Local Communities</li></ul>

		engagement.	
EC9	Add	Understanding and describing significant indirect economic impacts, including the extent of impacts.	> Environmental Impact Data
Environn	nental		
Manager	ment Approa	ach	<ul> <li>Isuzu's CSR Activities</li> <li>Environmental Initiative Policy</li> <li>Environment Promotion System</li> <li>Environmental Initiatives</li> <li>Environmental Impact Data</li> </ul>
Materials	5		
EN1	Core	Materials used by weight or volume.	<ul><li>Environmental Initiatives</li><li>Environmental Impact Data</li></ul>
EN2	Core	Percentage of materials used that are recycled input materials.	> Environmental Impact Data
Energy			
EN3	Core	Direct energy consumption by primary energy source.	> Environmental Impact Data
EN4	Core	Indirect energy consumption by primary source.	> Environmental Impact Data
EN5	Add	Energy saved due to conservation and efficiency improvements.	> Environmental Impact Data
EN6	Add	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	> Environmental Initiatives (Targets and achievements /Isuzu Fujisawa Plant and Tochigi Plant)
EN7	Add	Initiatives to reduce indirect energy consumption and reductions achieved.	> Environmental Initiatives (Targets and achievements /Isuzu Fujisawa Plant and Tochigi Plant)
Water			
EN8	Core	Total water withdrawal by source.	> Environmental Impact Data
EN9	Add	Water sources significantly affected by withdrawal of water.	Not applicable
EN10	Add	Percentage and total volume of water recycled and reused.	-
Biodivers	sity		<u> </u>

EN11	Core	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not applicable
EN12	Core	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	_
EN13	Add	Habitats protected or restored.	-
EN14	Add	Strategies, current actions, and future plans for managing impacts on biodiversity.	-
EN15	Add	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	-
Emission	s, effluents a	and waste	
EN16	Core	Total direct and indirect greenhouse gas emissions by weight.	> Environmental Impact Data
EN17	Core	Other relevant indirect greenhouse gas emissions by weight.	> Environmental Impact Data
EN18	Add	Initiatives to reduce greenhouse gas emissions and reductions achieved.	> Environmental Impact Data
EN19	Core	Emissions of ozone-depleting substances by weight.	Not applicable
EN20	Core	NOx, SOx, and other significant air emissions by type and weight.	> Environmental Impact Data
EN21	Core	Total water discharge by quality and destination.	> Environmental Impact Data
EN22	Core	Total weight of waste by type and disposal method.	> Environmental Impact Data
EN23	Core	Total number and volume of significant spills.	Not applicable
EN24	Add	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not applicable

EN25	Add	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	-
Products	and service	S	
EN26	Core	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	> Environmental Initiatives
EN27	Core	Percentage of products sold and their packaging materials that are reclaimed by category.	-
Compliar	nce		
EN28	Core	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Not applicable
Transpor	t		
EN29	Add	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	> Environmental Initiatives
Overall			
EN30	Add	Total environmental protection expenditures and investments by type.	> Environmental Impact Data
Social: L	abor Practice	es and Decent Work	
Managen	nent Approa	ch	<ul><li>&gt; Basic Policy for Compliance</li><li>&gt; Respect for Employees</li></ul>
Employn	nent		
LA1	Core	Total workforce by employment type, employment contract, and region.	<ul> <li>Principal Overseas Subsidiaries, Affiliates and Offices</li> </ul>
LA2	Core	Total number and rate of employee turnover by age group, gender, and region.	-
LA3	Add	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	> Respect for Employees

LA15	Core	Return to work and retention rates after parental leave, by gender.	_
Labor/m	nanagement	relations	
LA4	Core	Percentage of employees covered by collective bargaining agreements.	-
LA5	Core	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	-
Occupat	ional health	and safety	
LA6	Add	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	-
LA7	Core	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	-
LA8	Core	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	> Respect for Employees
LA9	Add	Health and safety topics covered in formal agreements with trade unions.	> Respect for Employees
Training	and educati	ion	
LA10	Core	Average hours of training per year per employee by employee category.	-
LA11	Add	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	> Respect for Employees
LA12	Add	Percentage of employees receiving regular performance and career development reviews.	-
Diversity	and equal (	opportunity	
LA13	Core	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority	-

		group membership, and other indicators of diversity.	
LA14	Core	Ratio of basic salary of men to women by employee category.	-
Social: I	Human Right	s	
Manage	ment Approa	ach	> Basic Policy for Compliance
Diversity	y and equal (	opportunity	
HR1	Core	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	-
HR2	Core	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	-
HR3	Add	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<ul><li>&gt; Basic Policy for Compliance</li><li>&gt; Respect for Employees</li></ul>
Non-dise	crimination		
HR4	Core	Total number of incidents of discrimination and actions taken.	Not applicable
Freedon	n of associati	on and collective bargaining	
HR5	Core	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	-
Child lab	oor		
HR6	Core	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	-
Forced a	and compuls	ory labor	
HR7	Core	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	-

Security	practices		
HR8	Add	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	-
Indigeno	us rights		
HR9	Add	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not applicable
Aspect: A	Assessment		
HR10	Core	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	-
Aspect: F	Remediation		
HR11	Core	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not applicable
Social: S	ociety		
Managen	nent Approa	ch	> Basic Policy for Compliance
Commun	nity		
SO1	Core	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	-
SO9	Core	Operations with significant potential or actual negative impacts on local communities.	Not applicable
SO10	Core	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Not applicable
Corruptio	on		
S02	Core	Percentage and total number of business units analyzed for risks related to	-

SO3	Core	Percentage of employees trained in organization's anti-corruption policies and procedures.	<ul><li>Compliance Promotion System in Isuzu group companies</li><li>Respect for Employees</li></ul>
S04	Core	Actions taken in response to incidents of corruption.	Not applicable
Public p	olicy		
S05	Core	Public policy positions and participation in public policy development and lobbying.	-
S06	Add	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	-
Anti-cor	mpetitive beh	navior	
S07	Add	Total number of legal actions for anti- competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not applicable
Complia	ince		
SO8	Core	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not applicable
Social: F	Product Resp	onsibility	
Manage	ment Approa	nch	<ul><li>&gt; Basic Policy for Compliance</li><li>&gt; Basic Policy for Quality Initiatives</li></ul>
Custom	er health and	l safety	
PR1	Core	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<ul> <li>Initiatives for higher product quality.</li> <li>Initiatives for higher service quality.</li> </ul>
PR2	Add	Total number of incidents of non- compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	-
Marketir	ng communic	cations	
PR3	Core	Type of product and service information required by procedures, and percentage of	-

		significant products and services subject to such information requirements.		
PR4	Add	Total number of incidents of non- compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not applicable	
PR5	Add	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	-	
Marketi	ng communi	cations		
PR6	Core	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	-	
PR7	Add	Total number of incidents of non- compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not applicable	
Custom	er privacy			
PR8	Add	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not applicable	
Complia	Compliance			
PR9	Core	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not applicable	

#### **Stakeholder Index**

### Customer

Category	Page
Social Contribution Initiatives	<ul> <li>Initiative Policy for Social Contribution</li> <li>Support for the Great East Japan Earthquake</li> <li>Initiatives in Japan</li> <li>Initiatives in Overseas</li> </ul>
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> </ul>
Quality Initiatives	<ul> <li>Policy for quality initiatives</li> <li>System for quality initiatives</li> <li>Initiatives for higher product quality</li> <li>Initiatives for higher service quality</li> <li>Initiatives for higher operation quality</li> </ul>
Information Disclosure	> Information Disclosure
Compliance Initiatives	<ul> <li>Compliance initiative policy</li> <li>Compliance promotion system</li> <li>Compliance Initiative Report</li> </ul>
Corporate Governance	> Corporate Governance

## Shareholders

Category	Page
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> <li>Environmental Impact Data</li> </ul>
Information Disclosure	> Information Disclosure
Compliance Initiatives	<ul> <li>Compliance initiative policy</li> <li>Compliance promotion system</li> <li>Compliance Initiative Report</li> </ul>
Corporate Governance	> Corporate Governance

### **Business partners**

Category	Page
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> </ul>
Information Disclosure	> Information Disclosure
Compliance Initiatives	<ul> <li>Compliance initiative policy</li> <li>Compliance promotion system</li> <li>Compliance Initiative Report</li> </ul>
Corporate Governance	> Corporate Governance
Supply Chain Management	> Supply Chain Management

### **Employee**

Category	Page
Social Contribution Initiatives	<ul> <li>Initiative Policy for Social Contribution</li> <li>Support for the Great East Japan Earthquake</li> <li>Initiatives in Japan</li> <li>Initiatives in Overseas</li> </ul>
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> <li>Environmental Impact Data</li> </ul>
Respect for Employees	<ul> <li>Initiative Policy for Respect for Employees</li> <li>Higher employee satisfaction (ES)</li> <li>Personnel development         <ul> <li>(training for awareness and knowledge: activities held in Japan)</li> </ul> </li> <li>Initiatives for respect for employees</li> </ul>
Information Disclosure	> Information Disclosure
Compliance Initiatives	<ul> <li>Compliance initiative policy</li> <li>Compliance promotion system</li> <li>Compliance Initiative Report</li> </ul>
Corporate Governance	> Corporate Governance

#### Government

Category	Page
Social Contribution Initiatives	<ul> <li>Initiative Policy for Social Contribution</li> <li>Support for the Great East Japan Earthquake</li> <li>Initiatives in Japan</li> <li>Initiatives in Overseas</li> </ul>
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> <li>Environmental Impact Data</li> </ul>
Harmony with Local Communities	<ul> <li>Initiative Policy for Harmony with Local Communities</li> <li>Initiatives in Japan(Isuzu)</li> <li>Initiatives in Japan(Isuzu Group)</li> <li>Initiatives in Overseas(Isuzu Group)</li> <li>Focus "Initiatives for Harmony with Local Communities in Indonesia"</li> </ul>
Information Disclosure	> Information Disclosure
Corporate Governance	> Corporate Governance

# **Local Community**

Category	Page
Social Contribution Initiatives	<ul> <li>Initiative Policy for Social Contribution</li> <li>Support for the Great East Japan Earthquake</li> <li>Initiatives in Japan</li> <li>Initiatives in Overseas</li> </ul>
Environmental Initiatives	<ul> <li>Environmental Initiative Policy</li> <li>Environmental Promotion System</li> <li>Environmental Management</li> <li>Isuzu's Initiatives</li> <li>Isuzu Group's Initiatives</li> <li>Environmental Impact Data</li> </ul>
Harmony with Local Communities	<ul> <li>Initiative Policy for Harmony with Local Communities</li> <li>Initiatives in Japan(Isuzu)</li> <li>Initiatives in Japan(Isuzu Group)</li> <li>Initiatives in Overseas(Isuzu Group)</li> <li>Focus "Initiatives for Harmony with Local Communities in Indonesia"</li> </ul>
Information Disclosure	> Information Disclosure
Corporate Governance	> Corporate Governance